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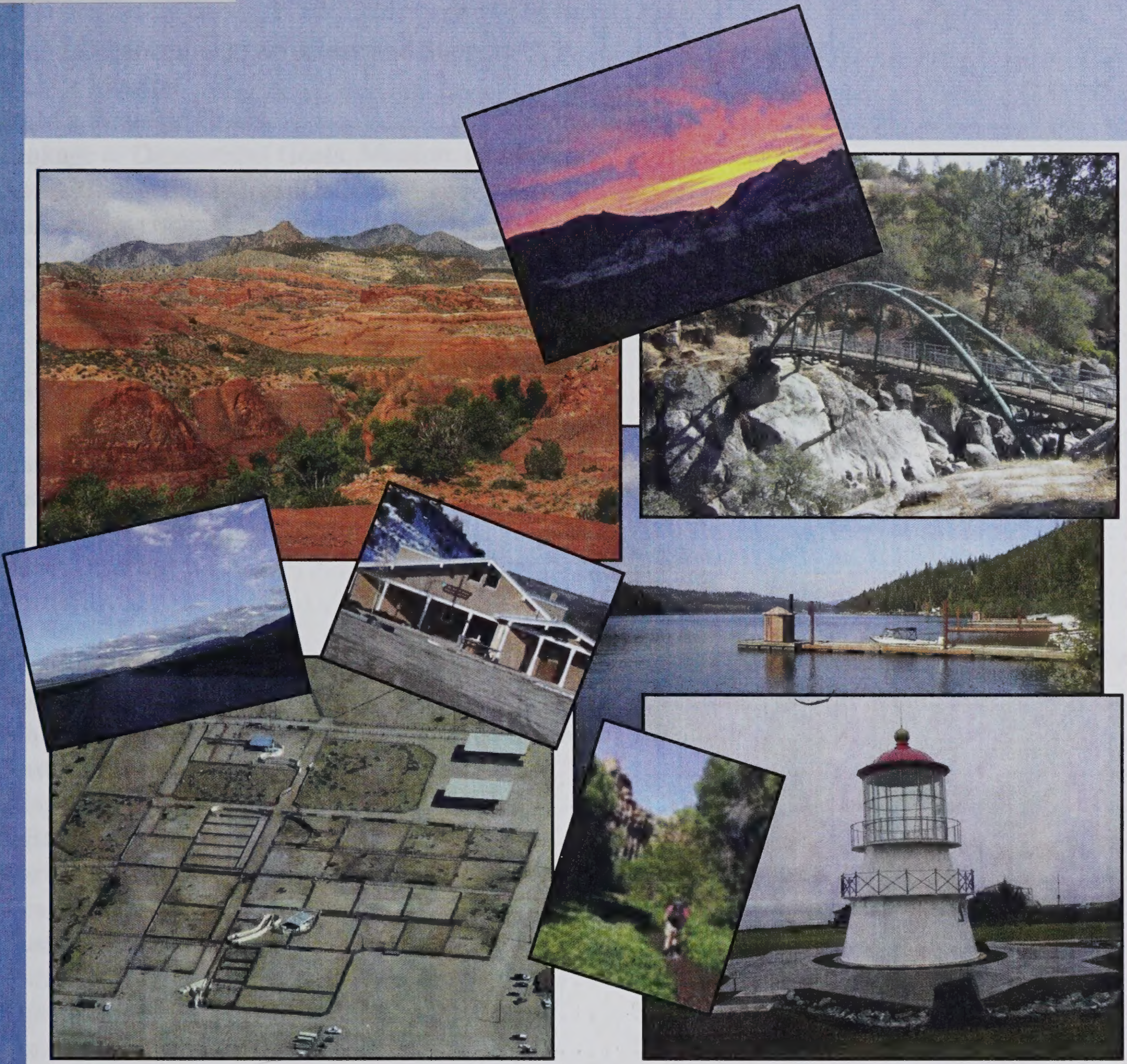

Bureau of Land Management

Asset Management Plan

March 2007

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1. Mission and Organizational Structure and Support

The Bureau of Land Management's (BLM's) Asset Management Plan (AMP) provides the overall structure, policy, and mission for managing the Bureau's assets. The BLM's AMP is a 3-year plan to provide an asset inventory that is maintained:

- At the right cost
- In the appropriate condition
- For the most effective use
- At the proper size to support BLM's mission and goals

The policies and procedures outlined in the BLM's AMP will determine how site-specific asset business plans (SSABPs) are created within the Bureau. These SSABPs will be updated yearly and will in turn provide the foundation for future Bureau AMPs. The SSABP template was developed with input from the BLM state offices and was initially distributed in the fall of 2006. The SSABP template will be improved annually.

The BLM's AMP is mission driven. It is a fluid document that will be updated when Bureau policies or procedures change. The AMP highlights the structure for managing the Bureau's assets, summarizes the Bureau's current asset inventory, documents the condition of the inventory, and articulates the Bureau's strategy and plan of action for improving the management and condition of the Bureau's assets. BLM's AMP serves as a framework to guide asset investment decisions, including those pertaining to operations, preventive maintenance, component renewal, repair, and construction.

1.A. BLM's Mission: The BLM is a relatively small bureau with a large mission: to sustain the health, diversity, and productivity of the public lands for the use and enjoyment of present and future generations. With over 10,000 employees, BLM manages over 258 million acres—about one-eighth of the land in the United States—mostly in the West. The BLM also manages about 700 million acres of subsurface mineral resources. The BLM manages a wide variety of resources and uses including energy and minerals development; timber; forage; wild horse and burro populations; recreation; fish and wildlife habitat; wilderness areas; archaeological, paleontological, and historical sites; and other natural heritage resources.

The BLM administers public lands within the framework of numerous laws. The most comprehensive is the Federal Land Policy and Management Act of 1976 (FLPMA). All of BLM's policies, procedures, and management actions must be consistent with FLPMA and other laws that govern the use of the public lands.

With this vast and complex landholding, it is critical that the BLM has a supporting property and fleet infrastructure that reflects its diverse mission. This infrastructure includes visitor centers for recreational sites; seasonal housing in remote areas; vehicles that can traverse great distances in adverse conditions to access BLM land; fire equipment that is used to fight wildland fires; and administrative offices for BLM employees, volunteers, and contracted support staff.

Within the BLM, there are 12 state offices, with approximately 140 field offices under those state offices. The BLM also has several centers of excellence, an interagency fire center in Boise, Idaho, and its headquarters office in Washington, DC.

1.B. BLM's Strategic Goals: The lands managed by the BLM have been around for millions of years and likely will be around for millions more. In contrast, the infrastructure that exists to manage these lands has a very short lifespan. One goal of BLM's asset management program is to ensure that the infrastructure is maintained in a sustainable fashion to support the agency's mission in a cost-effective manner. Another goal is to ensure proper stewardship of owned, constructed assets (such as buildings, structures, roads, utility systems, and other facilities). BLM asset managers are responsible for identifying space leasing requirements, ensuring the contractual compliance of the lessor, and developing a 5-year space leasing plan. BLM asset managers are also responsible for managing personal property assets, including fleet and heavy equipment assets, both those provided by the General Services Administration (GSA) and those owned by the Department of the Interior (DOI), that support the infrastructure. The BLM program ensures protection of critical resources, public and administrative access, and uses ranging from recreation to commercial activities.

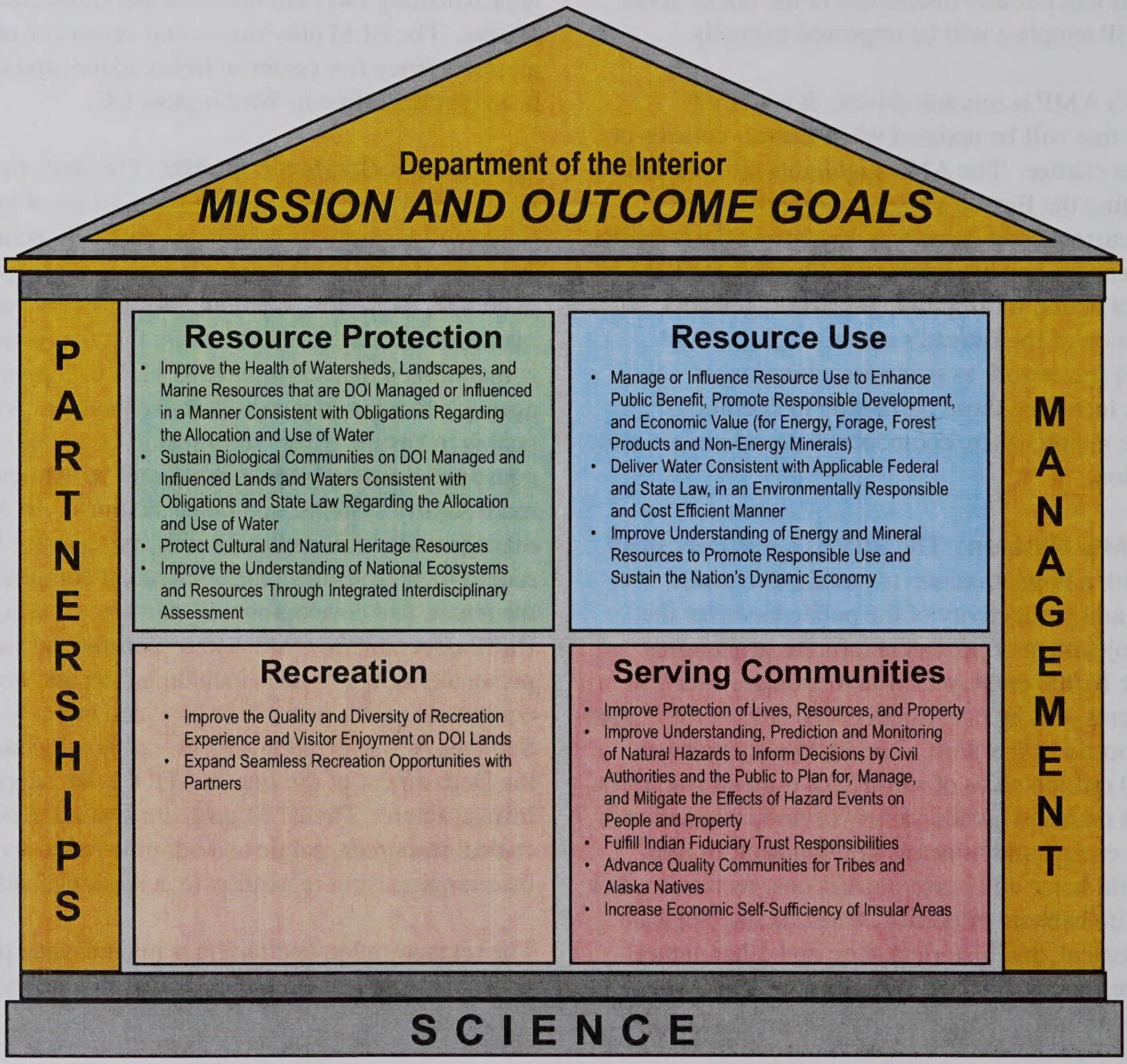
The transportation and facilities maintenance program goals are to protect employee and visitor safety, resource values, and public investments, as well as to provide facilities management and public lands stewardship. To accomplish this, the BLM focuses on:

- Operating clean, safe, and fully functional facilities at recreation sites
- Performing annual maintenance on all funded facilities
- Conducting comprehensive assessments on the physical condition and regulatory compliance requirements for all facilities
- Implementing the *Five-Year Deferred Maintenance and Capital Improvement Plan* to reduce the maintenance backlog
- Developing an automated facility management system to improve facilities maintenance
- Implementing property and asset management planning to accurately inventory and describe assets, establish appropriate levels of investment, and adopt public or commercial benchmarks and practices

1.C. Linkage to Department Goals, Mission, and Policies: BLM's mission aligns with DOI's mission, which has been organized into four areas of responsibility, each having a strategic goal:

- Resource Protection—Protect the Nation's natural, cultural, and heritage resources
- Resource Use—Manage resources to promote responsible use and sustain a dynamic economy
- Recreation—Provide recreation opportunities for the public
- Serving Communities—Safeguard lives, property, and assets; advance scientific knowledge; and improve the quality of life for communities we serve

Each of these DOI mission areas is supported by several related end outcome goals (desired consequences) (Figure 1). Those end outcome goals, guide a collection of related programs and services administered by one or more of the Department's bureaus and offices. Likewise,



Resource Protection

- Improve the Health of Watersheds, Landscapes, and Marine Resources that are DOI Managed or Influenced in a Manner Consistent with Obligations Regarding the Allocation and Use of Water
- Sustain Biological Communities on DOI Managed and Influenced Lands and Waters Consistent with Obligations and State Law Regarding the Allocation and Use of Water
- Protect Cultural and Natural Heritage Resources
- Improve the Understanding of National Ecosystems and Resources Through Integrated Interdisciplinary Assessment

Resource Use

- Manage or Influence Resource Use to Enhance Public Benefit, Promote Responsible Development, and Economic Value (for Energy, Forage, Forest Products and Non-Energy Minerals)
- Deliver Water Consistent with Applicable Federal and State Law, in an Environmentally Responsible and Cost Efficient Manner
- Improve Understanding of Energy and Mineral Resources to Promote Responsible Use and Sustain the Nation's Dynamic Economy

Recreation

- Improve the Quality and Diversity of Recreation Experience and Visitor Enjoyment on DOI Lands
- Expand Seamless Recreation Opportunities with Partners

Serving Communities

- Improve Protection of Lives, Resources, and Property
- Improve Understanding, Prediction and Monitoring of Natural Hazards to Inform Decisions by Civil Authorities and the Public to Plan for, Manage, and Mitigate the Effects of Hazard Events on People and Property
- Fulfill Indian Fiduciary Trust Responsibilities
- Advance Quality Communities for Tribes and Alaska Natives
- Increase Economic Self-Sufficiency of Insular Areas

Figure 1. Outcome goals for the Department of the Interior.

each goal is supported by a broad range of quantitative performance measures—intermediate outcome goals and performance targets. Many of the DOI's strategic plan goals address prudent asset management.

It is the responsibility of real property asset managers to enable mission work using this asset management plan. Investments must be aligned with DOI and BLM program missions and strategic goals. Assets and investments must be prioritized based on the degree to which investments support mission needs and strategic goals are achieved.

1.D. Asset Management Organizational Structure: The BLM's asset management organizational structure is being revised as part of an overall BLM strategy to align the workforce with future work. The Senior Asset Manager is the Assistant Director for Business and Fiscal Resources. The headquarters property and engineering function is being merged into a single division within the Business and Fiscal Resources directorate. This will reduce redundancy and provide for clearer policy, resource allocation, priority setting, and program evaluation across the entire asset management function. Likewise, our current Bureau operational component of asset management located in Denver will be located within a single division at the center of excellence in Denver, Colorado.

The BLM states' asset management organization has predominantly aligned the engineering and property function into a single branch under the Support Services Deputy. There are several states that are aligned with this structure, such as California, Oregon, Montana, and Arizona.

Field offices have a variety of operational staffs spread throughout the field office organization, such as facility managers, engineering technicians, property staff, recreation technicians and planners, fleet managers, warehouse staff, campgrounds hosts, and partner ("friends of") organizations to provide on-the-ground asset management and day-to-day operations and maintenance. Contract officer representatives (COR) for construction and services contracts and facility leases perform the oversight function, representing the contracting officer (CO) or leasing realty specialist.

The BLM manages its assets using a holistic approach. Assets are evaluated for safety, security, accessibility, and sustainability (energy). The BLM is committed to designing, constructing, leasing, maintaining, and operating its facilities in an energy-efficient, sustainable manner. The agency strives to create a balance of a high standard of living, wider sharing of life's amenities, and maximum attainable reuse and recycling of depletable resources, all in a manner that is economically viable and consistent with BLM's mission. To accomplish its goals and measure its success, the BLM is using life cycle concepts and performance measurements that will lead to sustainable public assets.

Many program areas must be engaged in the asset management process for it to be successful. Cooperation and participation are needed from the fire, engineering, property, lands, and recreation program staffs, to list a few.

1.D.1. National Asset Management Reviews (AMRs): The BLM annually performs AMRs on 25 percent of its asset management program, so that at the end of 4 years, 100 percent of the program will have been reviewed and assessed and applicable corrective action will have been taken. In accordance with the guidance in the Office of Management and Budget (OMB) Circular A-123, *Management Accountability and Control*, reviews or assessments will be conducted to ensure:

- Bureau asset management programs are achieving their intended results
- Resources used are consistent with the Bureau's mission, the AMP, and the SSABP
- Resources are protected from waste, fraud, and mismanagement
- Laws and regulations are followed
- Reliable and timely asset management information is maintained, reported, and used for decisionmaking

This is the first year for expanding the traditional property management review to a full asset management program review.

When applicable, corrective action plans are developed, implemented, and tracked for deficiencies identified in the course of reviews or assessments. Managers are required to ensure, within established timeframes, that all actions are taken to correct or otherwise resolve the findings of the review.

1.D.2. Safety and Occupational Health: Ensuring the safety and health of employees, volunteers, contractors, and the visiting public is the number one priority for asset management in the BLM. The Occupational Safety and Health Administration (OSHA) requires a formal annual safety inspection. In addition, facilities are routinely monitored for occupational health concerns related to potable water, air quality, ventilation, and other potential hazards. BLM safety inspections of administrative facilities evaluate everything from ergonomics in an office setting to proper labeling, storage, and use of chemicals; machine guards; proper egress; fire extinguishing systems; electrical systems; and respiratory protection.

Safety inspections are also performed at visitor sites such as campgrounds and recreation areas. After the inspections are completed, the results are analyzed for risks and corrective actions are evaluated. Appropriate corrective actions are initiated upon completion of the review. Abatement plans are instituted when necessary.

Safety inspections are coordinated with the BLM's compliance assessment for safety, health, and the environment (CASHE) program. CASHE inspections were originally designed to address the environmental (hazardous materials) issues regulated by the Environmental Protection Agency (EPA), but they have been expanded to include safety items as well. CASHE audits are performed at all BLM organizational units on a frequency of not less than every 5 years. The CASHE audits are currently conducted by an outside contractor.

The environmental compliance component of the CASHE program is primarily what separates it from an OSHA inspection. Environmental compliance is regulated by EPA under title 49 of the Code of Federal Regulations (CFR). OSHA regulates the safety and health issues under title 29 of the CFR. Examples of environmental issues on BLM lands include containers of unknown substances, dumping, underground storage tanks, and hazardous materials or waste entering water systems (for example, in wareyards with equipment wash stations). Additionally, OSHA's annual safety inspections are mandated only for facilities where employees work; this is one reason why CASHE audits cannot be substituted for the OSHA inspections.

1.D.3. Accessibility: The BLM is committed to providing the highest feasible level of access to its facilities and programs for people with disabilities. New construction and retrofit design always address accessibility within resource needs. All new construction, leases, and renovations include accessibility as a design component. Many of BLM's older facilities met accessibility standards at the time they were built, but do not meet today's standards. As part of its commitment to access for visitors, BLM has completed assessments on existing facilities and programs to identify accessibility deficiencies. The BLM is taking corrective actions on deficiencies that have been identified.

Many of the deficiencies identified during the accessibility evaluations are included in projects submitted under the *Five-Year Deferred Maintenance and Capital Improvement Plan.* Smaller, critical deficiencies are corrected through accessibility critical corrective actions, which are part of the deferred maintenance program.

1.D.4. Security: The protection and security of employees and assets have always been a priority for the BLM. The BLM Nevada State Office bombing in 1991, followed by the 1995 bombing of the Alfred P. Murrah Federal Building in Oklahoma City and terrorist attacks of September 11, 2001, are painful reminders of the importance of asset security. The BLM uses the 1995 Department of Justice's *Vulnerability of Assessment of Federal Facilities* as the guideline for categorizing and establishing minimum security standards for buildings and related structures on public lands.

BLM's state offices and centers are designated as level III and level IV facilities based on the number of square feet they have and the number of federal employees currently occupying them. The five levels, according to the Department of Justice's *Standards for Protection of Federal Facilities*, include: level IV, defined as a facility with greater than 450 federal employees, 80,000-250,000 square feet, and a high volume of public contact; level III, defined as a facility with 151-450 federal employees, 80,000-150,000 square feet, and moderate volume of public contact; level II, defined as a facility with 11-150 federal employees, 2,500-80,000 square feet of office space, and a moderate volume of public contact; and level I, defined as a facility with 10 or fewer federal employees, 2,500 or less square feet of office space, and a low volume of public contact. In addition to lighting, physical barriers, and access controls, the majority of these structures have enhancements such as closed circuit television (CCTV) monitoring with intrusion alarms. Many of BLM's field offices and stations are classified as level II or level I. Notwithstanding a lower vulnerability rating, these buildings have similar physical security measures to include visitor screening and emergency backup power.

The terrorist attack on the United States in 2001 resulted in the issuance of the Homeland Security Presidential Directive (HSPD) 12, *Policy for a Common*

Identification Standard for Federal Employees and Contractors. This directive required all federal departments and agencies to establish a secure and reliable government identification card for employees and contractors. For the BLM, this personal identification credential, known as the Smart Card, was already in use in many of the state offices. Pilot programs at the Nevada State Office and the National Training Center resulted in rapid adoption, and by December 2005, 92 percent of all employees and contractors employed by the BLM possessed this card, using it for identification and physical access into Federal facilities.

1.D.5. Sustainability (Energy): The BLM is committed to energy conservation principles and to developing energy efficient designs for new buildings or renovations of existing facilities. BLM is taking a proactive approach to reduce local energy use and seek alternative sources of energy. The BLM has created an Energy Management and Conservation Team at the national level and has formed the Energy Conservation Working Group (ECWG) to help coordinate energy conservation activities of various organizations within the BLM.

The BLM makes use of a variety of incentives to encourage employees to be energy conscious. Incentives include awards, performance evaluations, training, and educational outreach. BLM has demonstrated energy efficiency and conservation in multiple areas: facility energy reduction, renewable resources, fossil fuels, and water conservation. BLM's performance in these areas is tracked and reported annually in the annual *Energy Conservation and Management* report.

BLM-owned facilities are becoming more energy efficient as a result of the Bureau's participation in the Department of Energy's (DOE's) energy saving performance contracts (ESPCs). Johnson Controls, Inc. (JCI), was selected by the BLM to perform initial energy audits and install energy saving measures. Under this contract, JCI guarantees energy savings and is paid from those savings. With this approach, the BLM does not have to use scarce deferred maintenance funding to pay for improvements. These savings are expected to be significant. The Roseburg District Office, for example, is installing direct digital controls for its heating, ventilation, and air conditioning system, which is estimated to save BLM $30,000 a year and pay for itself in less than 4 years. Energy savings at BLM-leased facilities will be accomplished by revising the contract specification for those buildings to require the building owner to meet specific energy efficiencies. All BLM owned facilities in Colorado, Idaho, Montana, Nevada, Oregon, and Wyoming that consume over $1,000 of electricity annually will be retrofitted with energy conservation measures. The contract for installation of the conservation and renewable energy measures was awarded in February 2007. Award of the remaining Bureau facilities contract is scheduled for February 2008.

BLM's commitment to energy efficiency and energy conservation includes promoting energy education and outreach. The BLM has an active employee education program that promotes energy efficiency in the home and in the workplace. BLM's outreach efforts include interactive educational activities for teachers, students, and adult learners in a variety of areas. *Get Energized, Renewable Energy, POWERful Choices, and Conservation and You* are just a few of the interactive Web-based educational experiences that are available at www.blm.gov/education.

1.E. Bureau Governance/Decisionmaking Process for BLM-Owned, Constructed Assets:

Policy direction, resource allocation, program evaluation, and performance are all led by the headquarters office property and engineering program staff under the direction of the Bureau's senior asset manager.

Operational leadership for the acquisition, operations, maintenance and disposition of assets for all owned and leased assets is managed from the Denver Federal Center in Colorado.

States are responsible for their SSABP submissions which address "assets of interest;" e.g., proposed acquisitions, construction or deferred maintenance projects, and proposed disposition of all assets within their purview. Field office managers and staff develop specific plans for assets as a part of the SSABP.

To effectively manage and maintain its vast array of assets, the BLM has developed a strategic and holistic management plan for all BLM-owned, constructed assets. Entitled *Stewardship Strategy for Comprehensive Facilities Management*, the plan integrates the critical aspects of good asset management into a life-cycle management program that includes:

- Real property asset inventory
- Operations and maintenance needs:periodic, cyclical/component renewal and replacement requirements
- Validation of current conditions and future needs (condition assessment)

- Asset priority index
- Performance metrics with quantifiable outputs/outcomes

The stewardship strategy provides guidance and direction for evolving current BLM practices into a comprehensive facility management program that provides life-cycle stewardship for all BLM assets. Integration of these components requires a combination of sound facility management processes coupled with an automated facility management tool. The process for managing constructed assets is illustrated in Figure 2. Fleet management requires sound processes as well, as illustrated in Figure 3.

A complete and accurate inventory of assets accomplished in accordance with DOI and BLM policy and within the guidelines of the Federal Accounting Advisory Board Standards is the foundation of the stewardship strategy. Annual maintenance requirements, which are the most critical component of the long-term operation of the asset, comprise the structure of the strategy. Appropriate levels of annual maintenance funding represent the most significant opportunity to provide adequate stewardship of the Nation's assets. With appropriate expenditures, the Bureau's assets can meet or exceed projected lifespans. A continued comprehensive and periodic condition assessment program across the BLM provides validation and oversight for the overall stewardship strategy, as well as an approach to track accomplishments, update inventory, and determine asset condition and continued maintenance or disposal needs.

Life-cycle based capital funding incorporates the need to revitalize and create facilities and infrastructure in ways that integrate with facility management processes and tools, reduce annual maintenance requirements, enhance sustainability, and support BLM directives. Too often assets are obtained, either through construction or acquisition, with little or no thought to the integration of those assets into the facility management process or the long-term maintenance requirements associated with the new assets.

An integrated strategy that incorporates all of the life-cycle requirements in turn requires an automated system with the capability to manage the vast array of BLM assets during the course of their service life. The Facility Asset Management System (FAMS) provides a suitable basis for the integration and management of the recommended strategic approach for asset management and condition assessment.

1.F. Asset Performance Assessment: Through an iterative process of developing the State SSABPs and the ongoing updating of these plans, the BLM expects to assess the performance of its assets at the local level. This process started with the establishment of the state SSABPs in 2006. However, with the annual updating of these plans and the refocusing of the national AMRs on mission criticality, the BLM expects to reassess and validate high interest assets such as fire facilities, warehouses, and communication sites.

In our first deployment of the SSABPs, BLM identified underperforming assets, which served to improve upon our initial disposal list.

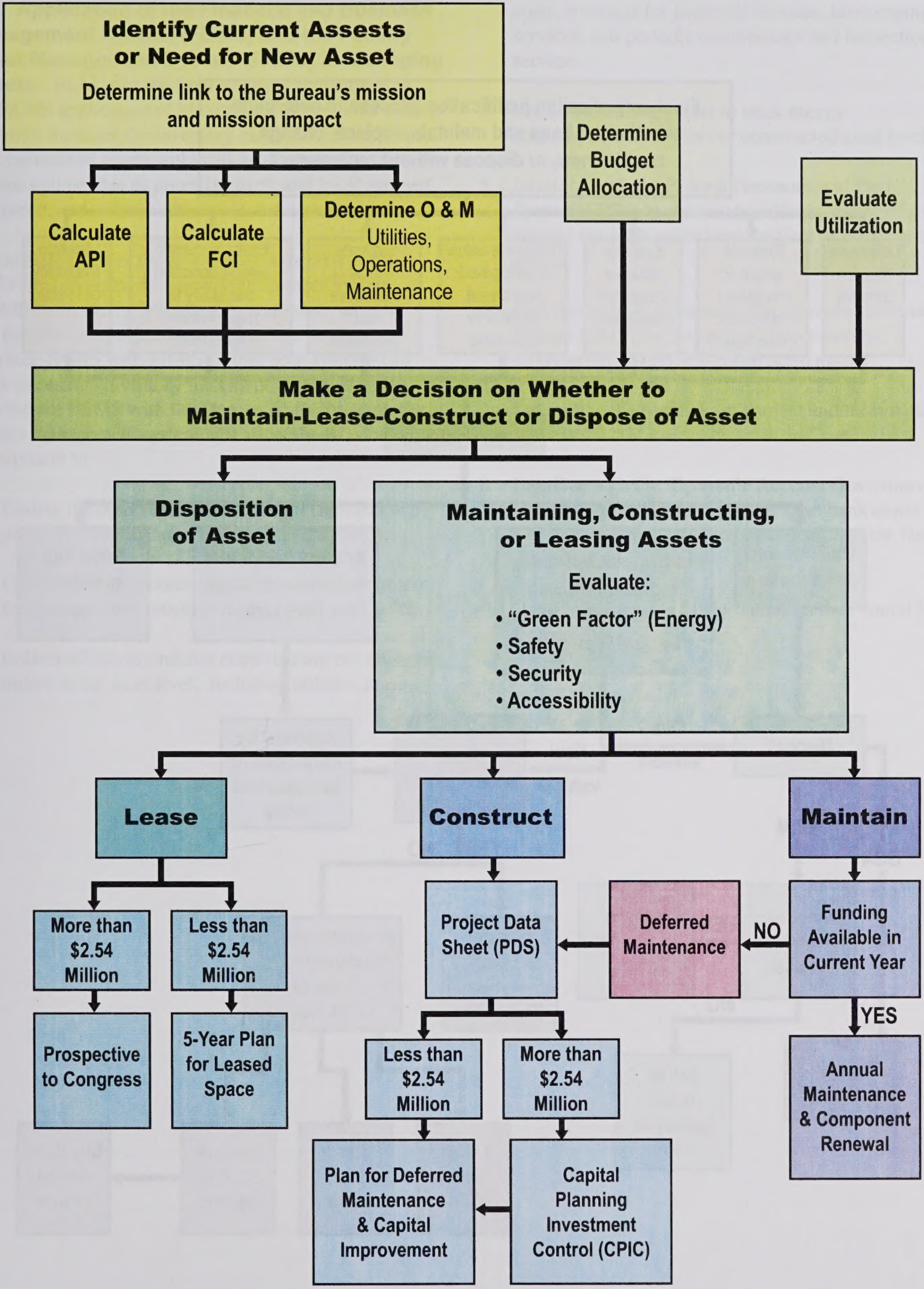

Identify Current Assests or Need for New Asset
Determine link to the Bureau's mission and mission impact
Calculate API
Calculate FCI
Determine O & M Utilities, Operations, Maintenance
Determine Budget Allocation
Evaluate Utilization
Make a Decision on Whether to Maintain-Lease-Construct or Dispose of Asset
Disposition of Asset
Maintaining, Constructing, or Leasing Assets
Evaluate:
• "Green Factor" (Energy)
• Safety
• Security
• Accessibility
Lease
Construct
Maintain
More than $2.54 Million
Less than $2.54 Million
Prospective to Congress
5-Year Plan for Leased Space
Project Data Sheet (PDS)
Deferred Maintenance
NO
Funding Available in Current Year
YES
Annual Maintenance & Component Renewal
Less than $2.54 Million
More than $2.54 Million
Plan for Deferred Maintenance & Capital Improvement
Capital Planning Investment Control (CPIC)

Figure 2. Constructed (owned and leased) asset business plan.

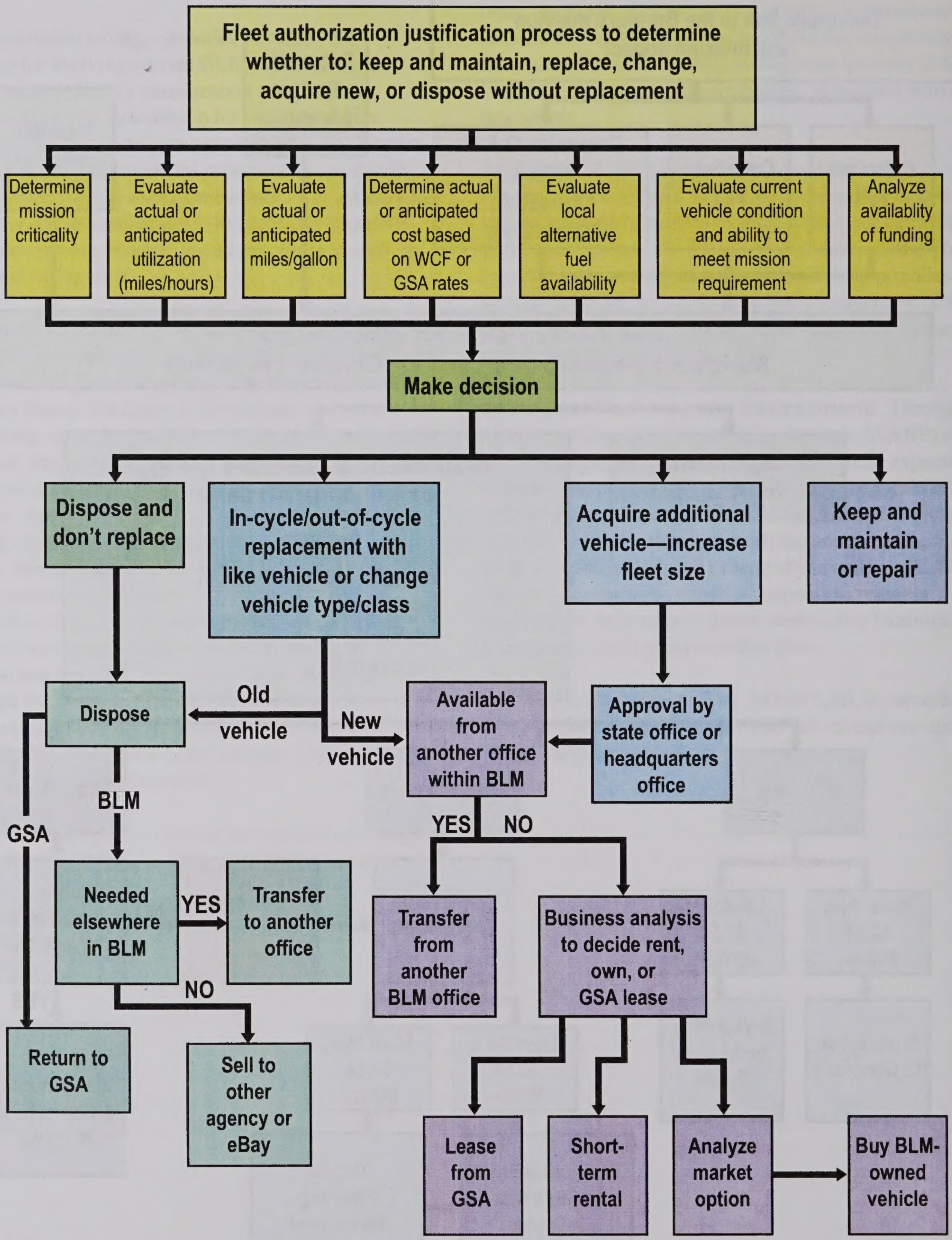

Fleet authorization justification process to determine whether to: keep and maintain, replace, change, acquire new, or dispose without replacement
Determine mission criticality
Evaluate actual or anticipated utilization (miles/hours)
Evaluate actual or anticipated miles/gallon
Determine actual or anticipated cost based on WCF or GSA rates
Evaluate local alternative fuel availability
Evaluate current vehicle condition and ability to meet mission requirement
Analyze availablity of funding
Make decision
Dispose and don't replace
In-cycle/out-of-cycle replacement with like vehicle or change vehicle type/class
Acquire additional vehicle—increase fleet size
Keep and maintain or repair
Dispose
Old vehicle
New vehicle
Available from another office within BLM
Approval by state office or headquarters office
GSA
BLM
Needed elsewhere in BLM
YES
Transfer to another office
NO
Return to GSA
Sell to other agency or eBay
YES
NO
Transfer from another BLM office
Business analysis to decide rent, own, or GSA lease
Lease from GSA
Short-term rental
Analyze market option
Buy BLM-owned vehicle

Figure 3. Fleet business plan.

1.G. Application of the Financial and Business Management System (FBMS) and the Facility Asset Management System (FAMS) in Managing Assets: BLM is in the final stages of implementing the FAMS application of Maximo software. This system currently manages the inventory of owned, constructed, and maintained assets within BLM. Eventually, the system will be able to prioritize work and track planned, estimated, and actual costs associated with the work.

In addition, BLM is the first bureau expected to use DOI's Financial and Business Management System (FBMS) with the fully integrated real estate module and the plant maintenance module. The plan is to interface FAMS with FBMS so that both systems can share necessary inventory information. The eventual interface of FBMS with the Department's single platform facility management system will allow the BLM and the Department to:

1. Update the complete inventory of all fleet and real property assets by entering the data only once.

2. Collect all actual costs associated with work orders for fleet and real property assets to the asset level.

3. Collect all facility-related costs that are not on work orders at the asset level, including utilities, lease costs, contracts for janitorial services, landscaping services, and periodic maintenance and inspection services.

4. Create measuring points to track energy consumption at the fleet or constructed asset level.

5. Interface with the Federal Personnel and Payroll System (FPPS) to accurately collect employee labor rates at the work order level for fleet or constructed assets.

6. Interface with the Quarters Management Information System (QMIS) to accurately collect income information related to a constructed asset.

7. Streamline the housing assignment and termination process.

8. Interface with the Electronic Account Government Ledger System (EAGLS) on the fleet bank cards to collect fuel consumption information to the fleet asset level.

9. Fully report required information to the Federal Real Property Profile (FRPP).

2. Asset Inventory, Condition, and Valuation

The BLM inventories 100 percent of the capitalized constructed assets and fleet vehicles annually through perpetual processes to update the FRPP information and fleet management systems.

2.A. Frequency of Comprehensive Condition Assessments: To do a comprehensive assessment of its constructed assets, the BLM has created an approach that groups assets by six major classes consistent with Statements of Federal Financial Accounting Standards (SFFAS) guidelines. Those asset classes are:

- Administrative sites
- Recreation sites
- Roads
- Trails
- Dams
- Bridges (including major culverts)

The BLM has created a schedule, based on these six classes, to assess the condition of its assets. Currently, the BLM is in the last year of a 5-year effort to update baseline comprehensive condition assessments for all BLM asset classes, with a targeted completion date of October 2007:

- **Administrative and Recreation Sites:** Baseline comprehensive condition assessments of all BLM administrative and recreation sites have been completed by an independent contractor so they are reasonable, consistent, and auditable. The BLM will now be comprehensively assessing approximately 20 percent of its total sites every year to maintain a "steady state" of condition assessments. Two training courses were recently developed to ensure continuation of a consistent national assessment.

- **Roads:** Road condition assessments are currently being completed. Dependent on continued funding, these baseline assessments for level 3, 4, and 5 roads (those with improvements, gravel, grading, paving, etc.) should be completed by October 2007. The frequency of future assessments will be determined after baseline assessments have been completed.

- **Trails:** The Trail Team has developed trail protocols for the condition assessment process. BLM is currently inventorying the "site trails," those associated with recreation sites. The protocols from the Trail Team will address trails that fall in a high priority classification, such as designated national trails, maintenance level 5 trails, or trails with significant capital investment. Interagency trails data standards have also been created by BLM's National Landscape Conservation System (NLCS) group.

- **Dams and Bridges:** The BLM has developed and tested new dam and bridge protocols and also developed a training course for condition assessments of dams. These protocols will be used to perform future bridge and dam condition assessments. Bridge inspections are required every 2 years by federal statute. BLM, or a contractor working for BLM, will conduct inspections every 2 years on all BLM managed bridges, alternating about half of the inventory. For example, of the 859 bridges in BLM's inventory, 430 will be inspected each year. Dams are inspected every 3 years as required by BLM regulation, but those dams that have been designated as low-hazard class dams will be inspected every 5 years. The nine high-hazard class dams are inspected every 2 years or immediately after a major weather event. These are considered safety inspections and are not "condition assessments."

2.B. Asset Priority Index (API): The Asset Priority Index (API) is one of several tools that helps BLM's managers determine which constructed assets can be affordable and reasonably maintained and sustained. The API enhances the ability of managers to make the best decisions possible in managing constructed assets.

The API is based on how the constructed asset helps the BLM achieve its mission outcome goals in the four major mission areas: resource protection, resource use, recreation, and serving communities. The API, in conjunction with other key parameters, such as utilization, condition, and operation and maintenance costs, helps managers assess the priority, or level of importance, of constructed assets relative to one another. Managers can make better use of available budgets by determining:

- Which assets to maintain or repair
- Where and when to build new constructed assets
- When to enter or exit leases
- When to dispose of constructed assets

The BLM created a national API Team to develop baseline priorities for all Bureau-constructed assets. The team assumed equal weighting for each of the four mission outcome goals as a general starting point. However, the team realized that different mission emphasis has a significant impact on the final API for different asset types at each field office. Therefore, the team decided that it was important for each field manager to reflect the importance of their constructed assets in relationship to the local BLM mission emphasis. For example, a field office that has a great deal of oil and gas production in its area and little cattle grazing would score a higher priority on an asset that deals with oil and gas than an asset that supports cattle grazing.

For additional information on development of BLM's API values, see the headquarters office Instruction Memorandum (IM) No. 2006-107.

2.B.1 Asset Prioritization: When an organization such as the BLM has substantial demands competing for limited asset funding, it must allocate resources in a way that will most positively impact its core mission. Logically, resources should be allocated to managing those assets most important to the strategy and operations of the organization. The difficulty in aligning funding with higher priority assets lies in quantifying the often qualitative concept of "important." This section examines asset mission alignment in the following ways:

- Explains how to develop a quantitative measure—an API—to score each asset in the BLM portfolio according to the organization's mission
- Describes how the API can be used as part of an overarching asset portfolio management and investment strategy
- Discusses API scores assigned to the BLM asset portfolio
- Suggests next steps and recommended uses of the API concept and scores

BLM used a four step approach to prioritize assets that incorporated the DOI's Asset Priority Index guidance, ***http://www.doi.gov/pam/APIGuidance092105.pdf***, which was developed to comply with the requirements of Executive Order 13327 and the Federal Real Property Council:

- **Step 1—Establish the Criteria.** The DOI asset prioritization framework requires each of its bureaus to prioritize assets using a standard framework (100-point scale) composed of asset criticality (80 points) and asset substitutability (20 points). The API criteria selected under asset criticality reflects the organization's overarching mission. In addition, the criteria are mutually exclusive, collectively exhaustive, and widely accepted throughout the organization and have clear definitions and examples that allow for consistent scoring. A group of BLM subject matter experts representing the Field Committee established the API criteria for BLM assets based on the DOI asset prioritization framework guidelines. These designees represented all BLM locations and disciplines.

- **Step 2—Create Scoring Guidance.** For each criterion, a detailed scoring matrix was developed. These matrices were designed to be simple and clear, and were developed by BLM's API Team in conjunction with organizational subject matter experts to maximize their validity and consistency throughout the scoring process. They include instructions for scoring an asset "very high" to "very low" against each criterion.

- **Step 3—Weight the Criteria.** Once scoring guidance was established, the criteria are weighted. For the BLM, this weighting resulted from several sessions by the API Team as well as input from each local field manager.

- **Step 4—Score the Portfolio.** The API scoring sessions concentrated on owned assets. Owned buildings and structures have been scored once nationally before being subsequently scored again by the field offices. Using the API scores as well as incorporating BLM' current policy, all assets were given a Mission Dependency Index (MDI)as part of the FRPP. This was carried out by the national program coordinator. In accordance with DOI asset priority guidance, BLM will score its assets every 5 years unless a major executive, legislative, secretarial or directorial priority-setting decision alters the current criteria. Leased assets are planned to be scored in the next SSABP cycle.

2.B.2. Highest Priority Assets: BLM's energy program facilities currently have the highest priority due to the recent increase in energy costs, which affects all aspects of the economy. This priority was set by the Director in every budget and management document. The impacts to our public of our offices with public rooms, where use authorizations, permits, public inquiries and filings occur, make our state and field office facilities a high priority to acquire, operate, maintain, and replace as necessary. Our recreation users consider our recreation sites a great part of the Bureau mission, and these sites are a high priority to those customer segments since they serve a tremendous economic value to our communities as Americans travel to recreate on public lands. Our first responder fire facilities are strategically placed for minimizing risks associated with initial response to fire emergencies. Our energy, law enforcement, and firefighting fleets all play an important role for the multiple missions and customer segments the BLM supports. In addition, our wild horse and burro facilities are built to accommodate the needs of wild horses and burros removed from the range and are unique to our organization.

The Bureau has many other program assets that are required to support the multiple uses and vast demands placed upon the public lands through public law, regulation, and customer expectation. These assets are characterized in our SSABPs, where our day-to-day management decisions are formulated. Each type of facility that supports various uses of the public land is valued by the program supported.

2.C. Facility Condition Index (FCI), Current Replacement Value (CRV), and Frequency for Updating the CRV: BLM uses the Facility Condition Index (FCI) in conjunction with the Asset Priority Index (API) to determine which of the Bureau's constructed assets should be maintained, replaced, or disposed of. The BLM uses the same methodology as DOI for determining FCI: deferred maintenance (DM), divided by the current replacement value (CRV), which then gives the FCI.

There are two important influences on this calculation:

- A reasonable estimate of deferred maintenance. The BLM has calculated the deferred maintenance on all of the assets associated with its administrative and recreation sites and the buildings on those sites. This deferred maintenance value is based on the deficiencies found during the condition assessment process, and a cost is applied using a costing package for consistency.
- The determination of the current replacement value. The BLM has formulated models for calculating the CRV. These models are based on the average cost for that asset type, by a specific unit of measure. For example, the cost to maintain a visitor center is based on the average cost per square foot of an average BLM visitor center. This figure is only intended to derive the FCI and is not intended to be an appraisal value or a construction estimate. The BLM understands that there will always be certain high- or low-value facilities for which the CRV can be misinterpreted. However, the BLM has elected to model this index to ensure a reasonable, consistent, and auditable process rather than attempt to determine an individual CRV for every asset.

2.D. Asset Disposal

2.D.1. Constructed Asset Disposal: Disposition of constructed assets within the BLM can be a very complex and time-consuming process. Mission criticality, utilization, condition, and operations and maintenance costs all assist in the decisionmaking process, as illustrated in the decision tree in Figure 4.

Decision points on the previous page assist the BLM in identifying assets of interest to be considered for disposal. However, it is important to understand that the final decision regarding disposition is made at the field office level. Extenuating circumstances may make disposal of a low priority, high-cost asset extremely difficult, if not impossible. Specific circumstances that affect the local manager's ability to dispose of real property are listed below:

- **Does the constructed asset have historic value?**

  If the constructed asset has been identified as a National Historic Landmark, is listed or determined eligible for the National Register of Historic Places, or needs to be evaluated to determine eligibility for the National Register, then the asset needs to be evaluated by the Federal Preservation Officer to consider potential adverse effects of disposing of the asset.

  Designation as a National Historic Landmark or listing on the National Register doesn't prevent the disposal of a constructed asset but limits the options. Historic assets are candidates for transfer to other government agencies or local groups that have a vested interest in preserving and restoring the property. These alternatives are pursued prior to proceeding with the disposal process.

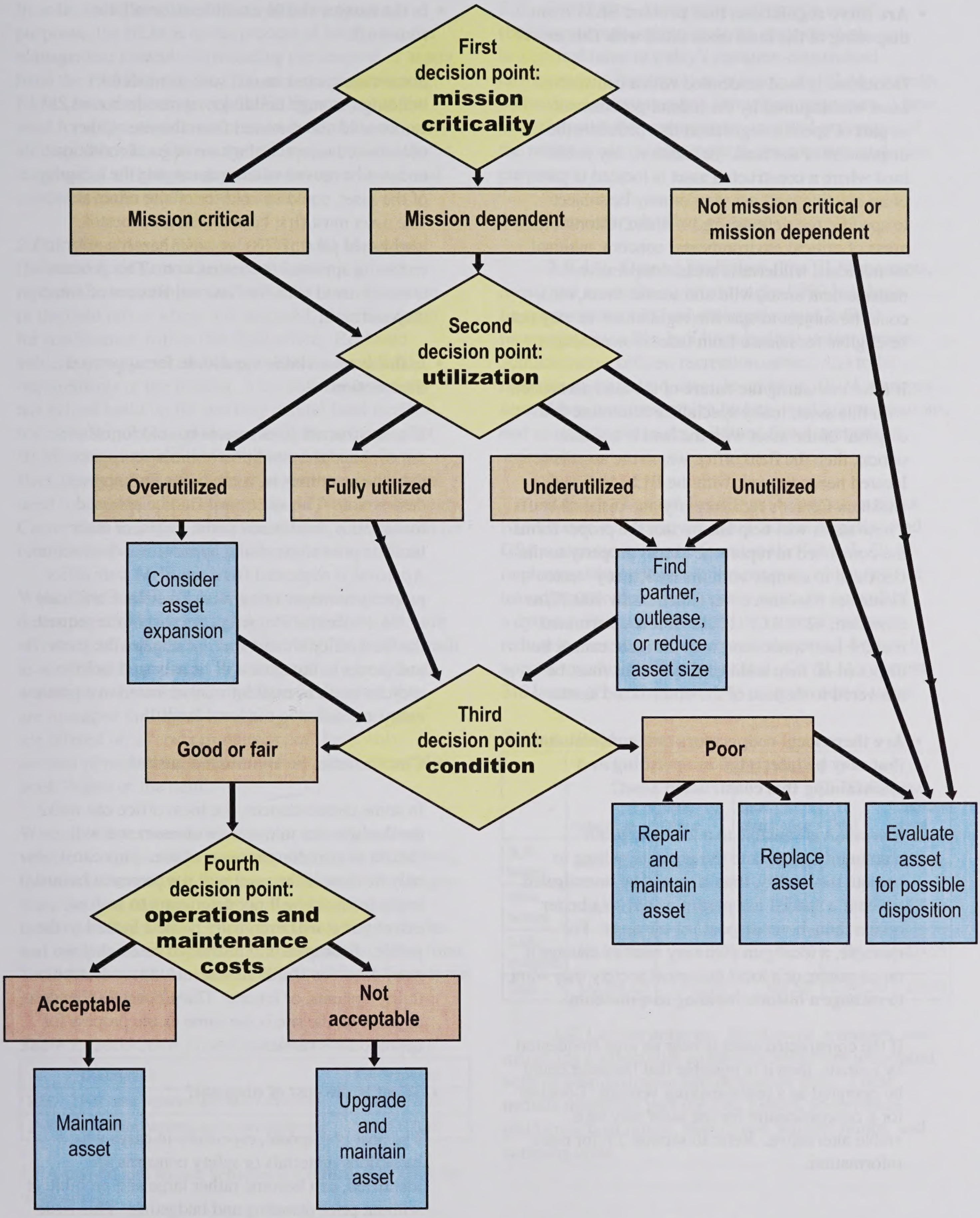


Figure 4. *Decision tree for constructed asset disposition.*

- **Are there regulations that prevent BLM from disposing of the land associated with this asset?**

  Occasionally land associated with a constructed asset was acquired by the federal government as part of specific legislation that prohibits the disposition of the land. In addition, any public land where a constructed asset is located is part of an existing land use plan or may be subject to specific restrictions (e.g., wetland restoration, areas of critical environmental concern, national monuments, wilderness areas, cooperative management areas, wild and scenic rivers, etc.), could be subject to specific regulations, or may not be eligible for release from federal ownership.

  If after evaluating the nature of the land associated with this asset, realty specialists determine that disposal of the asset with the land is a viable option, then the field office where the asset is located needs to work with the BLM National Business Center's real property and disposal staffs. These staffs will help ensure that the proper forms are completed to report the excess property to the GSA and to comply with the McKinney-Vento Homeless Assistance Act (Public Law 100-77, as amended, 42 U.S.C. 11301). If it is determined that the land associated with the asset cannot be disposed of, then additional questions must be answered to dispose of the constructed asset.

- **Are there local cooperators and concessionaires that may be interested in operating and maintaining this constructed asset?**

  If an asset is valuable to a local nonprofit community group and the group is willing to operate the facility, then it should be investigated to see if a special use permit would be a better option than direct disposal of the asset. For example, a local gun club may want to manage a target range, or a local historical society may want to manage a historic building as a museum.

  If the constructed asset is near an area frequented by tourists, then it is possible that the asset could be operated as a profit-making venture. Looking for a concessionaire for the asset may be a viable alternative. Refer to section 3.F for more information.

- **Is the asset a viable candidate for offsite removal?**

  Some constructed assets, such as modular buildings, storage buildings, or mobile homes, can be sold and removed from the site. Other constructed assets, if they are in good condition and can be moved without damaging the integrity of the asset, could be sold for offsite removal. The asset must first be assessed for asbestos, lead-based paint, PCBs, or other hazards prior to receiving approval for destruction. This process is coordinated with the National Business Center disposal staff.

- **Is the asset a viable candidate for approved destruction?**

  If a constructed asset cannot be sold for offsite removal and the condition of the asset is poor, then the asset may be a candidate for approved destruction. The asset must first be assessed for asbestos, lead-based paint, PCBs, or other hazards prior to receiving approval for destruction. Approval is requested from the BLM state office property manager using form DI-103a, Certificate of Unserviceable Property. As part of the request, the field office should specify whether the parts and pieces to the asset will be salvaged (sold to a recycler or on a small lot sale), donated to a public entity, or hauled to the local landfill.

- **Can the asset be abandoned onsite?**

  In some circumstances, the local office can make the decision not to maintain an asset and will choose to abandon the asset onsite. This can only be done if the asset will not present a hazard to the public or will not deteriorate to such an extent that it will eventually cause a hazard to the public. Examples of constructed assets that are candidates for abandonment include roads, trails, utility systems, or fences. The process to abandon an asset on the site is the same as the process for approved destruction.

- **What is the cost of disposal?**

  The cost of disposal, especially in cases where hazardous materials or safety concerns are identified, can become rather large and prohibitive without prior planning and budgeting. This issue is addressed more fully in section 3.D.

In order to improve disposition data for reporting purposes, the BLM is in the process of improving the management controls surrounding the removal of assets from the FAMS database. The process of converting FAMS into a reporting tool for FRPP resulted in the need for a systematic audit trail to document and verify all disposals. In addition, the value of each asset that is disposed of will be determined based upon its age and condition at the time of disposition.

2.D.2. Fleet Asset Disposal: Once a BLM-owned fleet vehicle or item of heavy equipment has been replaced or is no longer needed for its current mission in the field office where it is assigned, it is considered for reutilization within that field office. Replaced vehicles are often used to supply the seasonal field requirements of the Bureau. This business practice has helped build up the working capital fund to allow for more acquisitions and increased the percentage of BLM-owned vehicles to GSA-owned vehicles in the fleet. Once a field office determines there is no more need for a vehicle, it is reported to the National Business Center fleet manager, where the vehicle is considered for reutilization within the BLM at another field office.

When fleet vehicles or heavy equipment items are determined to be excess to the needs of BLM, they are offered to other agencies and other eligible entities, such as rural fire departments or state surplus agencies, in accordance with disposal regulations. Because they are managed through the working capital fund, they are offered on a "cost reimbursement" basis only. The amount of required reimbursement is based upon "blue book" value of the item.

When it is determined that a public sale of the fleet vehicle or equipment is necessary to dispose of the item, then the information is sent by agreement to the Oregon State Surplus Agency, where it is sold to the highest bidder on eBay. All proceeds from the sale of vehicles and equipment are deposited in the working capital fund. Table 1 shows the revenues the BLM achieved from these sales in 2005 and 2006.

***Table 1.** 2005/2006 Fleet/Equipment Sales Revenue*

	Description	Net Proceeds
2005	337 items (vehicles and heavy equipment	$2,906,278.00
2006	349 items (vehicles and heavy equipment	$3,391,620.28

GSA-owned and leased vehicles are returned to GSA for disposition.

2.E. Portfolio: Stewardship of "public assets" (buildings, roads, utility systems, and vehicles) is a critical issue in today's resource-constrained environment. To support its mission, the BLM currently maintains numerous assets in various categories. These assets support the management, use, and enjoyment of the public lands for commercial, recreational, and other purposes.

2.E.1. Inventory by Type of Asset

2.E.1.a. Owned Facilities: The BLM manages, owns, and maintains approximately 4,300 buildings on approximately 713 administrative and 2,498 recreation sites. The buildings include visitor centers, administrative offices, recreation cabins, and toilet facilities at recreation sites. In addition, BLM manages several fire facilities, which include bunkhouses, stations, and aircraft facilities for wildland fire suppression activities.

2.E.1.b. Leased Facilities: Information about BLM leases, occupancy in other federal facilities, and GSA assignments can be found in the Table 2. BLM implemented a space planning process, which reviews leased space requirements every year. As a result of a dynamic Bureau mission, BLM currently plans to reduce its inventory of space over the next 1-5 years by approximately 180,000 square feet. Of BLM's current 216 leases, 99 of them will expire in the next 5 years.

Table 2. BLM Leases

		Square Footage			Cost per Square Foot
	Total Cost	Total Office	Total Warehouse	Total	
BLM leases	$28,355,278	1,497,127	615,056	2,112,183	$13.42
Other federal	$1,839,983	95,854	21,661	117,515	$15.66
GSA-assigned	$12,509,059	469,649	45,880	515,529	$24.26
Total	$42,704,321	2,062,630	682,597	2,745,227	$15.56

2.E.1.c. Structures: BLM owns, manages, and maintains a substantial number of structures associated with its administrative and recreation sites. These include numerous parking lots, kiosks, observation platforms, boat ramps, boat docks, aircraft ramps, and camping units.

2.E.1.d. Linear Assets: Lands administered by the BLM have 76,383 miles of roads and 18,932 miles of trails. Management emphasis on these linear assets is on maintaining the roads, trails, and major culverts that receive the greatest public use, present the greatest threat to public safety, or contribute to water quality degradation due to improper drainage.

In January 2006, BLM produced the Roads and Trails Terminology Report. In this report, the BLM identified, defined, and clearly differentiated roads, trails, and primitive roads. The basic definitions for roads and primitive roads were developed based on BLM's *9100 Engineering Manual* and the definition for a trail was developed from the Interagency Trail Data Standards (ITDS.) The report is now considered policy and is awaiting implementation:

- **Road:** A linear route declared a road by the owner, managed for use by low-clearance vehicles having four or more wheels, and maintained for regular and continuous use.
- **Primitive Road:** A linear route managed for use by four-wheel drive or high-clearance vehicles. Primitive roads do not normally meet any BLM road design standards.
- **Trail:** A linear route managed for human-powered, stock, or off-highway vehicle forms of transportation or historical or heritage values. Trails are not generally managed for use by four-wheel drive or high-clearance vehicles.

These definitions are illustrated in Figure 5.

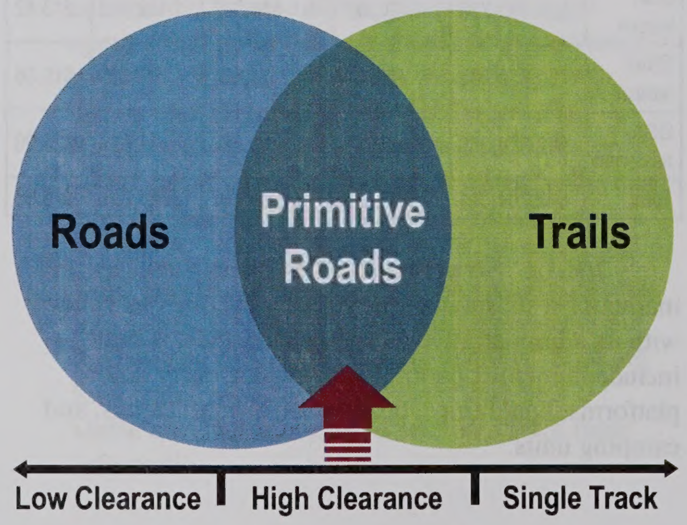


Figure 5. BLM's transportation system.

Existing maintenance levels were reviewed in conjunction with the development of the new asset categories for linear features and plans are underway to reconsider existing categories and usage.

2.E.1.e. Fleet Vehicles: The number of vehicles and pieces of heavy equipment maintained by the BLM varies based on the time of the year. The goal of BLM's fleet plan is to optimize fleet size and composition in order to support the mission of BLM in the most effective and cost efficient way possible, while reducing fossil fuel consumption. The development of an optimal fleet size and composition is dependent upon a starting baseline inventory and thorough analysis of the individual fleet compositions in each field office. Each of BLM's field offices has been asked to determine the optimum number of vehicles and the right mix of vehicle types they require to support the Bureau's mission.

Table 3 shows the number of vehicles in the 2005 baseline fleet by state or center. The total reflects the combined year-round and seasonal fleet vehicles and the combined general purpose and law enforcement vehicles.

***Table 3.** General Purpose Baseline Fleet Size (FY 2005) by State/Center*

State/ Center	Year-Round	Seasonal	General Purpose	Law Enforcement	Total
Alaska	69	69	129	9	138
Arizona	291	2	253	40	293
California	557	12	471	98	569
Colorado	303	10	295	18	313
Eastern States	40	0	39	1	40
Idaho	349	47	387	9	396
Montana	275	11	270	16	286
National Business Center	3	0	3	0	3
National Interagency Fire Center	54	12	62	4	66
National Training Center	13	0	13	0	13
Nevada	331	14	315	30	345
New Mexico	344	9	335	18	353
Oregon	877	25	875	27	902
Utah	410	22	410	22	432
Washington Office	3	0	1	2	3
Wyoming	313	44	347	10	357
Total	**4,232**	**277**	**4,205**	**304**	**4,509**

2.E.1.f. Dams: The BLM tracks and maintains 515 hazard-rated dams that have been designated with hazard classifications. These dams provide recreation, salinity control, and watershed protection. The BLM performs regular inspections, inundation studies, dam-break analyses for hazard classification, and dam maintenance. Emergency action plans regarding retirement of certain dams are currently being formulated.

New protocols have been developed for condition assessments to include updated checklists that conform to FAMS. The cyclical condition assessment for dams is every 5 years for low-hazard dams and every year for high-hazard dams (9). The new protocols and checklists have been attached to business rules which will make them Bureauwide standards pending the development and approval of revised manuals and handbooks (currently underway). As the cyclical condition assessments are performed, the current asset inventory for dams will be refined and improved.

2.E.1.g. Bridges: BLM manages 859 bridges nationwide. New protocols have been developed for condition assessments, which include updated checklists that will conform to both American Association of State and Highway Transportation Officials (AASHTO) and FAMS. The cyclical condition assessment requirement for bridges is every 2 years. These new protocols and checklists have been attached to business rules, which will make them Bureauwide standards pending the development and approval of revised manuals and handbooks (currently underway). As the cyclical condition assessments are performed, the current asset inventory for bridges will be refined and improved.

2.E.1.h. Nonstewardship Lands: Stewardship property, plant, and equipment (PP&E), as defined in Statement of Federal Financial Accounting Standards #8, is property owned by the federal government that meets the definition of one of the following three categories: (1) heritage assets are PP&E of historical, natural, cultural, educational, or artistic significance; (2) federal mission PP&E are integral to certain unique federal missions; and (3) stewardship land is land other than that acquired for or in connection with general PP&E.

Land acquired that is not withdrawn public domain land and is associated with nonstewardship assets is captured in the Fixed Assets (FA) system. This financial record is maintained although the land is not depreciated.

2.E.2. Federal Real Property Profile (FRPP) Inventory Data: The FRPP inventory consists of 23 data elements for each constructed asset maintained by the BLM and a 24th data element for disposed assets. Of these data elements, there are four dynamic elements (elements that may change over time):

- Condition Index (CI)
- Utilization Index (UI)
- Operations and Maintenance (O&M) Cost
- Mission Dependency Index (MDI)

2.E.3. Utilization

2.E.3.a. Utilization of Constructed Assets, Leased and Owned: The variety of BLM's constructed assets is significant. To determine how effectively an asset is utilized, the BLM plans to address each asset type separately. Currently, the focus is on buildings because they are the most costly to maintain. Specifically, BLM is in the process of determining utilization strategies for the following building types:

- **Offices:** The BLM manages its utilization of office space as part of its multiyear space plan. The majority of office space is leased, making it possible to adjust office size to the dynamic organization expeditiously. The Bureau policy of maximizing collocations with the USDA Forest Service, other bureaus within the DOI, other federal agencies, and state and local agencies allows the BLM to meet and exceed the DOI standard of 200 net usable square feet (NUSF) per full time equivalent (FTE) employee in most cases. Offices are underutilized if the NUSF/FTE exceeds 215. Offices are overutilized if the NUSF/FTE is less than 150.

- **Warehouses:** The BLM is keeping warehouses to the most efficient size that will meet the mission needs of the organization. The BLM has been able to do this by maximizing the vertical height of warehouses, providing materials handling equipment (such as pallet racking and forklifts), and promoting a policy that minimizes the requirements to store materials, supplies, and excess property for long periods of time. Through Bureauwide property reviews, the BLM plans to identify those warehouses that are equipped or organized ineffectively. Warehouses without pallet racking or warehouses that are over 50 percent vacant or where unneeded material occupies over 50 percent of the space will be considered underutilized. Overutilized warehouses are warehouses or storage facilities that are over

85 percent utilized (over 85 percent of the pallet-racking is occupied with mission-related material).

- **Housing:** The BLM aligned its housing inventory in FAMS with its inventory that is maintained within the Quarters Management Information System (QMIS) in 2006. QMIS applies rental rates to housing and collects rent in order to pay for maintenance and repairs of the facilities. Inventory classified in FAMS as housing, which is not managed within QMIS, was reviewed as part of the SSABP and considered for reclassification or disposal. The Bureau standard of utilization for housing is the ratio of the number of months occupied to the number of months of planned occupancy. Housing that is occupied 85-100 percent of the time is fully utilized, and housing that is occupied less than 85 percent of the time is underutilized.

The BLM plans to establish utilization criteria, similar to those already established for office space and fleet assets, for many types of constructed assets, including roads and fee-demonstration recreation sites.

2.E.3.b. Utilization of Fleet Vehicles: Fleet utilization is currently part of the multiyear fleet planning process. Utilization of fleet vehicles between 2003 and 2006 dropped by 3,522,826 miles. At today's average cost per mile of $.61, this has resulted in a savings to the BLM of $2,148,924. The optimal utilization of fleet vehicles is between 10,000 and 12,000 miles per year. Industry standards indicate that most general purpose vehicles begin to deteriorate and cost more to repair between 60,000 and 80,000 miles and that resale values deteriorate after 10 years, regardless of the odometer reading. For vehicles having a utilization rate that will not reach 60,000 miles in 10 years (under 6,000 miles per year), utilization is determined from a secondary standard based upon the number of days used. Vehicles that are used less than 6,000 miles in a given fiscal year (FY) are assessed an underutilization charge. This annual assessment provides the working capital fund (WCF) with sufficient funds to replace underutilized vehicles after 10 years.

2.E.4. Updating Deferred Maintenance Costs for BLM-Owned, Constructed Assets: In 2006, BLM updated the Deferred Maintenance Report, which provided a summary of the current financial requirements associated with the effective stewardship of the Bureau's existing asset base. Current deferred maintenance estimates contained within the report reflect deferred maintenance requirements for the Bureau's existing asset inventory and do not anticipate functional or operational modifications, increases to the asset portfolio, or new regulatory requirements associated with the day-to-day operation of the assets.

A better estimate for deferred maintenance will be realized in 2007 and improved upon in 2008 as a result of the following ongoing efforts: (1) reconciliation of the inventory; (2) completion of comprehensive baseline condition assessments for levels 3, 4 and 5 roads (i.e., BLM's largest asset category, see Figure 6), and (3) initial completion of disposal actions.

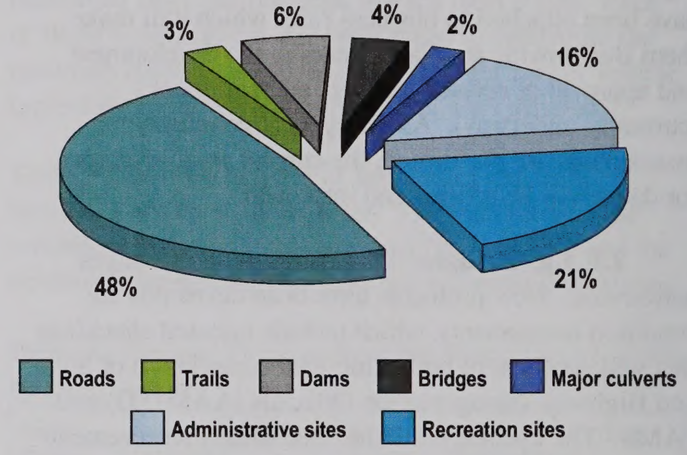


Figure 6. BLM FY 2005 deferred maintenance by asset category.

FY 2005 estimates of deferred maintenance represent a "snapshot" of the Bureau's total needs and appropriate estimates of funding required to correct the deficiencies absent additional deterioration. Adequate funding for annual and deferred maintenance is greater than the average annual deterioration of existing assets and will be essential to decrease the BLM's deferred maintenance and improve the overall condition of the public assets within the BLM portfolio.

2.E.5. Updating Inventory and Percent of Assets with FRPP Data: A constructed asset is entered into the FAMS at the time construction is completed and the asset is put into service. If the asset is above the cost threshold of $100,000 for real property, it is also entered into BLM's Fixed Asset (FA) system.

The inventory of owned, constructed assets is verified and FAMS is updated, if necessary, during the condition assessment site visit. The intent is to conduct condition assessments on 20 percent of constructed assets each year, so verification would take place every 5 years. However, interim changes that affect the FRPP inventory (e.g., disposals, condition changes, additions, etc.) may require that the data be updated more frequently as changes occur. The inventory of leased assets and GSA-assigned space is updated as actions occur (acquisitions, changes, terminations, extensions, etc.). The FRPP will be updated during the subsequent inventory cycle after a change is made.

2.E.6. Nonowned Assets: A BLM-managed, direct leased asset is entered into the FRPP at the time of occupancy of the lease and the asset is put into service. The leased assets are validated by the state property managers through the annual 5-year space lease planning process.

The average ages for various types of building assets are listed in Table 4.

Table 4. *BLM Building Assets*

Asset Name	Avg. Age (yrs)	# of Assets
Building – Administrative	23	223
Building - Bunkhouse/Dorm	18	69
Building - Cabin (Housing)	36	6
Building - Climate Controlled Storage	20	25
Building - Single Family/Duplex Housing	25	45
Building - Single Family/Duplex (Nonhousing)	40	91
Building - Museum	28	80
Building - Storage/Shed or Outbuilding	24	915
Building - Visitor Center	30	24

3. Total Cost of BLM Asset Management and Resources to Acquire, Operate, Maintain, and Dispose of Assets

The BLM currently has resources available to acquire, maintain, operate, and dispose of all of our fleet and leased facility assets and many of our owned and constructed assets. Through the AMR process over the next 4 years, BLM will focus on and evaluate the effectiveness of our current spending and identify those "assets of interest" that are not being operated or maintained at adequate levels and those that should not be operated and maintained. Increased use of concessionaires, fee demonstrations and partnering will be the primary means to provide resources for high and moderate use visitor centers, recreation sites, and office space.

In FY 2008, BLM will be reducing our budgetary resources to accomplish deferred maintenance and focus on annual operation and maintenance accomplishments to keep our facilities in adequate condition. SSABP templates will measure operation and maintenance fund allocations directly applied to facilities. Since we will be completing the initial Condition Assessment baseline workload, deferred maintenance funding will be reallocated to project work in the field offices.

For several years, BLM has had too large of a carryover in all of our construction and deferred maintenance activities. Funds allocated to offices will be assessed for obligation. We will increase movement of available monies from projects that will not obligate funds in the current year to projects that will obligate these funds.

3.A. Multiyear Portfolio Plans

3.A.1. Ranking Proposed Projects/Acquisitions in the Multiyear Plan: The DOI, in consultation with the OMB, has established a ranking system for all construction projects, which gives critical health or safety the highest priority, followed by critical resource protection, and critical mission projects. Deferred maintenance is ranked higher than capital improvement because existing deficiencies should be fixed before new construction is undertaken.

Construction projects are ranked using a weighting process based on the percentage of the work (total project $) within each of the following categories of facility maintenance and construction needs:

Critical Health and Safety Deferred Maintenance (CHSdm)	10
Critical Health and Safety Capital Improvement (CHSci)	9
Critical Resource Protection Deferred Maintenance (CRPdm)	7
Critical Resource Protection Capital Improvement (CRPci)	6
Energy Policy, High Performance, Sustainable Buildings Capital Improvement (EPHPSBci)	5
Critical Mission Deferred Maintenance (CMdm)	4
Code Compliance Capital Improvements (CCci)	3
Compliance and Other Deferred Maintenance (COdm)	3
Other Capital Improvements (Oci)	1

Based on these weight factors, projects are ranked using the following calculation:

(%CHSdm x 10) + (%CHSci x 9) + (%CRPdm x 7) + (%CRPci x 6) + (%EPHPSBci x 5) + (%CMdm x 4) + (%CCci x 3) + (%COdm x 3) + (%Oci x 1) = TOTAL SCORE

3.A.2. New Priorities that Impact Resource Needs: With its multiple use mandate, BLM's priorities often change. As a result, it is important that BLM's asset managers are able to use criteria and metrics that can change with any fluctuation in agency or site-specific priorities. Congressional action may determine additional priorities for construction. This is why the API system that BLM created is directly tied to its mission, based upon the priorities on the ground. BLM plans to initiate disposal actions using deferred maintenance fund, which is a new resource need. This year we are planning to complete our comprehensive condition assessments that may offset this new resource need.

3.A.3. Integration Opportunities: A number of resource sharing and collocation projects are in the current Five-Year Deferred Maintenance and Capital Improvement Plan or have been funded through the 5-year plan. For example:

- The methane from coal office project in Miles City, Montana ($4.1 million funded over 3 years - 2004, 2005, and 2006), is a 6,000-square foot addition to the current office building, which will replace equivalent space in the warehouse where employees are currently housed. Moving employees out of the warehouse and into more appropriate offices will bring the minerals staff together and improve efficiency and productivity. The vacated space in the warehouse can then be used more appropriately for storage.
- The Elko, Nevada, BLM/U.S. Forest Service collocation project ($5.8 million) is ranked so low (100 percent other capital improvement) that it is beyond the 5-year planning horizon and is unlikely to be funded before 2020. BLM would not want to pay for USFS office space and vice versa.

3.B. Planning, Design, and Construction or Acquisition

3.B.1. Acquisition Policy: In May 2006, BLM sent out an Instruction Memorandum (IM No. 2006-152) that requires an Asset Acquisition Business Plan (AABP) prior to the acquisition of any constructed asset (building, structure, or improvement) by any method regardless of acquisition cost or estimated value of the constructed asset. This requirement does not apply to land acquisitions unless the land acquisition also includes the acquisition of constructed assets. An AABP approval process is vital to the process of establishing a sustainable constructed asset inventory for the BLM. The improved process is helping the BLM bring long-term operations and maintenance costs associated with all constructed assets into alignment with expected revenues and manage its asset portfolio more effectively.

Any proposed acquisition of constructed assets is authorized only upon completion of an approved AABP for each individual constructed asset. Approval of the AABP must occur prior to closing the transaction. The state director must also sign off on the AABP for capital assets of an appraised value over $100,000.

Constructed assets acquired in association with land transactions are not encouraged by BLM policy because they rarely fulfill existing mission requirements and must be retrofitted at a substantial cost to BLM. The existence of constructed assets and funding sources that will pay for costs associated with those assets must be identified at the very beginning of the land acquisition process (e.g., feasibility stage for an exchange). Any determination regarding the retention or disposal of the constructed assets must be in keeping with approved land use plans.

Every effort should be made by the field office to either dispose of the constructed asset prior to the completion of the transaction or exclude constructed assets from the transaction altogether. Depending upon the circumstances, if there is no identified requirement for the constructed asset, immediate disposal or demolition of that asset upon completion of the realty transaction is strongly encouraged. Any constructed assets that are excluded before the acquisition or destroyed immediately after the acquisition are not to be included in the valuation of the property.

If the field office manager chooses to acquire a constructed asset because it fulfills an existing mission requirement, then such an acquisition will be approved if one or both of the following conditions exist:

- An internal reallocation of resources through disposal of existing constructed assets results in an equivalent savings to the government. A copy of the initiated disposal documentation and the AABP for the constructed asset that was identified for disposal must be attached when submitting the request for approval.
- There is a partnership process in place that does not depend upon increased appropriations or reallocations of funds between states within the BLM. A copy of the signed partnership agreement must be attached when submitting the request for approval.

As the BLM develops its own comprehensive constructed asset management plan, business plans for each constructed asset will become an integral part of each state's constructed asset management planning process.

3.B.2. Decision Tools Used in the Planning and Design Phase of Asset Construction or Acquisition: The BLM developed the 5-year system to plan and fund all construction projects. This system is based on the ranking system that the DOI established for construction projects. As a result, projects are constructed according to their ranked priority and projected out in a 5-year cycle. This is a continuing process, with new projects being added each year through a project submission meeting conducted each spring with representatives from each BLM state office.

The initial planning phase is conducted by each BLM state office. Each state interested in submitting a project, first formulates the project for submission to the Engineering Advisory Team (EAT), which ranks the project. The EAT is made up of representatives from the BLM state engineers, representatives from BLM's National Science and Technology Center (NSTC), and the Division of Engineering and Environmental Services. Typically a general cost estimate is completed and preliminary planning documents are prepared for the evaluation process.

Upon funding, the project is then prepared for design by a private architecture or engineering firm or by the NSTC. Then a Bureau contracting officer (CO) selects a contracting officer representative (COR) to manage the daily issues of the project. Upon completion of design, a bid package is prepared and a contractor selected for construction. The COR and project inspector are responsible for conducting daily inspections and for project management through the completion of the project. They manage all construction and contracting issues for the CO.

For projects that exceed $2 million, the decision tools for project selection and funding are more extensive. All projects in excess of $2 million are reviewed by the Construction Investment Review Board (CIRB.) The CIRB is comprised of BLM's senior management. This group determines if a project meets the criteria for construction. Each project must be mission dependent and financially feasible. Each project is discussed by senior management and approved or disapproved, depending on the business and fiscal management plan and the worthiness of the project. Projects must show a feasible financial plan that includes out-year operations and maintenance expenses. For every project in excess of $2 million, an Exhibit 300 must be prepared. The Exhibit 300 is a business management tool that is updated and used as a living document from planning to construction completion. The Exhibit 300 is a control document that is used to ensure that the state is appropriately managing the funds that are appropriated through the budget and that the schedule is accurately tracked.

Projects that exceed $10 million are reviewed and approved by OMB and DOI. Progress reports are forwarded to DOI and OMB on a quarterly basis using the updated Exhibit 300 as the progress tool.

3.B.3. Bureau Construction Management: Based on the Exhibit 300, a quarterly report is generated that gives each project a "green," "yellow," or "red" rating, depending on schedule and funding distribution. Projects that are less than $10 million are kept at the Bureau level, while projects in excess of $10 million are sent to the DOI for score card review and scoring. The actual "on-the-ground" management for BLM is conducted by the project CO, COR, and project inspector through the BLM state and local field office.

BLM prioritizes leasing actions through a 5-year space leasing plan. Each year, every field office validates the existing 5-year space leasing plan and submits their updated space plan to their respective state office. Leasing priorities are based upon available funds, expiring leases, new collocations, and growth or reduction of existing offices (both leased and owned). Fixed cost accounts associated with existing leasing actions are projected in out-year budgets based upon the Bureau's space leasing plan, rent escalations, and reductions. New facilities have been added due to lack of available construction funds or deferred maintenance funding to maintain existing owned facilities at adequate levels.

3.C. Sustainment: A strategic investment plan has a time horizon of 5 to 10 years and uses metrics such as a facility condition index (FCI), asset priority index (API), operations and maintenance costs, utilization component renewal schedules, and project development to correct deferred or emergency maintenance. Specifically, the investment strategy results from an analysis of the actual annual maintenance costs associated with individual assets or groupings of constructed assets, in conjunction with the periodic and comprehensive condition assessments of these constructed assets. Collecting specific maintenance and operations costs at the constructed asset level identifies the level of maintenance requirements and indicates those assets which are not maintained due to limited personnel and funding. The condition assessment provides a view of the health of the assets through identification of new deficiencies or lack thereof. Based on this analysis, a strategic investment plan to increase or decrease annual maintenance to a constructed asset or to request funding to remediate deferred maintenance deficiencies is developed.

This plan for sustainment must be dynamic and recognize the changes in priority and functional needs of assets over time. The ultimate result is a sound rationale for requesting adequate annual maintenance and operations funding through the federal budget process.

3.C.1. Average Annual Operational, Recurring, and Preventive Maintenance Costs: To improve the Bureau's performance portfolio for owned, operated, and leased assets, which includes the requirements for maintaining, operating, and sustaining assets at the constructed asset level, a strategic plan is needed. Strategic asset management encompasses all components of life cycle business practices and is used as a roadmap to manage asset portfolios. A critical component of this plan is collecting the actual operational and maintenance costs at the constructed asset level. The actual annual operations and maintenance costs are comprised of recurring, preventive, and emergency maintenance activities. The actual cost includes the cost of direct and indirect labor, materials and supplies, and equipment operations to complete annual maintenance or operational tasks. The Bureau is in the process of establishing a methodology that will enable personnel performing operations and maintenance activities to track and report these costs in an efficient manner through the Bureau's financial system as well as its maintenance management system.

Recurring lease costs of Bureau leased facilities are reported annually on Exhibit 54, which is the document used to project lease expenditures for future years. The lease costs are based on actual lease expenditures plus anticipated increases in the base cost of services and real estate taxes. In addition, the estimated rent for BLM-occupied, GSA-acquired space is included in the report.

3.C.2. Component Renewal and Replacement Costs: A specific element of recurring maintenance is component renewal. Component renewal is defined as those parts of a constructed asset that will require replacement on a periodic basis. An example of this is the replacement of a roof once the expected life of the material has expired (usually 20 to 25 years.) Planning for an asset's component renewal requirements over time helps to prevent equipment failure and the resultant expensive repair and rehabilitation costs. Replacing a component at the end of its design life is a proactive approach to managing assets.

The use of work orders within the facilities asset management system identifies the operations and maintenance requirements, defines tasks to be completed, and facilitates the tracking of the resulting accomplishments. Work orders are defined as a set of tasks necessary for the maintenance or repair of assets throughout the life cycle of that asset. Work orders may be prescriptive to the routine maintenance of the asset, reactive to events that damage the asset, or anticipative of component renewal. An estimated cost to complete these tasks is generated as a target for funding. As work orders are completed, the funding for the actual cost to complete the annual maintenance and operations is collected and reported through the Bureau's financial system. The Bureau can then identify the funding necessary to maintain its constructed assets at appropriate maintenance levels.

3.C.3. Operations and Maintenance Requirements, Costs, and Investment Strategies: To determine the operations and maintenance requirements, a strategic plan is needed to help improve the Bureau's performance portfolio for owned and operated assets; this includes the true requirements for properly maintaining, operating, and sustaining assets at the constructed asset level. Strategic asset planning encompasses all components of the life cycle business practices and is used as a roadmap to manage asset portfolios. The strategic plan will contain information at the facility level on the operation and maintenance of the assets, asset prioritization, project development, and potentially asset disposal. To accomplish this strategic planning, improved performance metrics need to be established that will enable the tracking of actual costs at the appropriate level of constructed assets or grouping of constructed assets.

3.C.4. Operations and Maintenance Requirements Compared to Actual Costs: A distinct disparity exists between the cost model for the roads and the actual operations and maintenance costs that are being consumed for road maintenance. In FY 2007, the BLM plans to revisit our operations and maintenance cost model for roads.

3.D. Disposition: The BLM has developed and is maintaining a dynamic listing of real property assets that are candidates for disposition. Identification of assets for disposition is the initial step of a process that can take months or years to complete. The listing was updated recently as part of the SSABP process and can be found at the BLM National Business Center's Web site (http://nbcweb.blm.gov/bc653/realprop/relprop_disposal.html), along with detailed instructions regarding the disposal process.

One of the challenges in identifying assets for disposition is to identify the estimated cost of the disposition because the extent of hazard mitigation is unknown until an assessment is performed. BLM is attempting to prioritize its disposition actions during the SSABP process in order to begin the assessment process.

Because the disposition process is so costly, BLM has made the decision to set aside some of the annual deferred maintenance funding to address this issue, but it will be several years before the disposal list can be significantly reduced or eliminated. By establishing projects for each disposal action, we will be better able to collect and report accurate disposition costs.

3.E. Historic or Real Property Assets: It is BLM's opinion that existing archaeological sites and features are not, by themselves, considered real property for the purposes of reporting to the FRPP. Once the Bureau makes a decision to invest resources to improve /or maintain the assets in order to preserve and protect them or to enhance the public's ability to appreciate them, then those assets may need to be reported to the FRPP. These improvements fall into two categories:

1. Improvements that are not part of the asset, such as shelters that cover the historic asset to protect it from the elements, or trails, roads, and parking lots surrounding the asset to enable visitor viewing. The historic asset is not changed or enhanced in any way and is not reportable to the FRPP. The improvements are reportable as separate assets.

2. Improvements that add value to the historic asset and are intrinsically part of that asset, such as replacement of deteriorating parts or stabilization efforts made to prevent further deterioration or to mitigate hazards. These improvements change the status of the historic asset and it becomes reportable to the FRPP.

Based upon that definition, BLM has identified those assets that are heritage assets, and reported this updated listing to the FRPP in 2006. Less than 100 of the over 34,000 assets reported to the FRPP can be identified as historic assets.

BLM addresses potential disposition of these assets on a case-by-case basis as described in section 2.D.

3.F. Partnership Opportunities for Disposal or Operations and Maintenance: The BLM has a long history of collaborating with communities to help manage the public lands. The BLM is committed to promoting the stewardship of healthy ecosystems and healthy communities in the present and for future generations. Community-based citizen stewardship begins with people taking care of special places. By involving communities and partners in a collaborative decisionmaking process to manage their landscapes, integrating community and land management issues, the BLM expands its capacity to create innovative solutions and build sustainable partnerships.

Partnerships, like all activities of the federal government, must operate within the legal framework established by Congress. A number of statutory authorities enable BLM to work with partners. At the same time, Federal employees are public servants. As a result of this, there are laws, regulations, and policies that have been developed to assure the public that federal employees will not engage in any actions that create or appear to create an impropriety.

BLM is always looking to develop partnerships to help manage, dispose of, or cover the operations and maintenance costs of all its assets. Full evaluations are necessary before any partnerships are created.

3.G. Leased Real Property Assets

3.G.1. Determining Resource Allocation for Lease Costs: The BLM issued an instruction memorandum (IM No. 2005-189) in July 2005 explaining its 5-year space plan policy, which requires the BLM National Business Center's Space Leasing Branch to acquire space to meet customer needs and ensure that proper space leasing procedures are followed (***http://web.blm.gov/internal/wo-500/directives/dir-05/im2005-189.html***). To accomplish this goal, BLM's state offices submit space leasing plans for BLM-leased, GSA-leased, and BLM-owned facilities using the space planning e-processing system. The data gathered is then used by the state offices to develop state space plans, the headquarters office provides responses to funding requests and develops the Bureauwide plan, and the Denver leasing staff gathers additional planning information, which includes Service First initiatives for collocation planning.

The BLM's 5-year space leasing plan allows the headquarters office to allocate subactivity 1830 funds based on current space costs. It helps determine how efficiently states are utilizing space, addresses possible collocation opportunities, assesses SMART card planning strategies and one-time funding needs, and identifies new space needs. The space plan is updated annually to allow states to adjust or modify their space plans as needed. All space plans are approved and certified by the Property, Acquisition, and Headquarters Services Group prior to any leasing actions.

3.G.2. Planning and Acquisition of Leased Assets: All BLM space allocations are based on 200 useable square feet per person, defined as budgeted full-time equivalent (FTE) allocations for all office space. All BLM state offices annually update their statewide space plans to include goals for collocating their state's facilities with the Forest Service, other DOI agencies, and other federal agencies (see the space planning system 2005 user guide at ***http://web.blm.gov/internal/wo-500/directives/dir-05/im2005-189_a1.doc***).

The majority of space acquisitions are accomplished by the Denver Space Leasing Branch following GSA established guidelines under the BLM delegation of leasing authority.

3.H. Sustainment of Leased Assets

3.H.1. Minimizing Long-Term Operations Costs of Leased Assets: Operations costs can be minimized through implementation of additional energy conservation measures. Existing costs could be shared by expanding collocation opportunities. As GSA leases expire, BLM requests delegated leasing authority from GSA to assume the procurement of the leased facility.

3.H.2. Ensuring Maximum Utilization of Leased Space: Each year during the 5-year space planning process, property managers provide the current and projected employee count for all leased office space. The utilization rate of the facility is calculated based on this information. Most leases include full and partial termination rights; therefore, if the need for the space decreases during a nonfirm term portion of the lease, the space may be returned to the lessor. If a collocation opportunity arises during a lease term, every effort is made to accommodate the collocation and thereby reduce or maintain the proper utilization of the lease.

3.H.3. BLM's Annual Lease Payments: Figures 7 and 8 show BLM's rental payments since 1999.

3.H.4. BLM's Fleet Planning Process: The goal of BLM's fleet plan is to optimize fleet size and composition to support the mission of BLM in the most

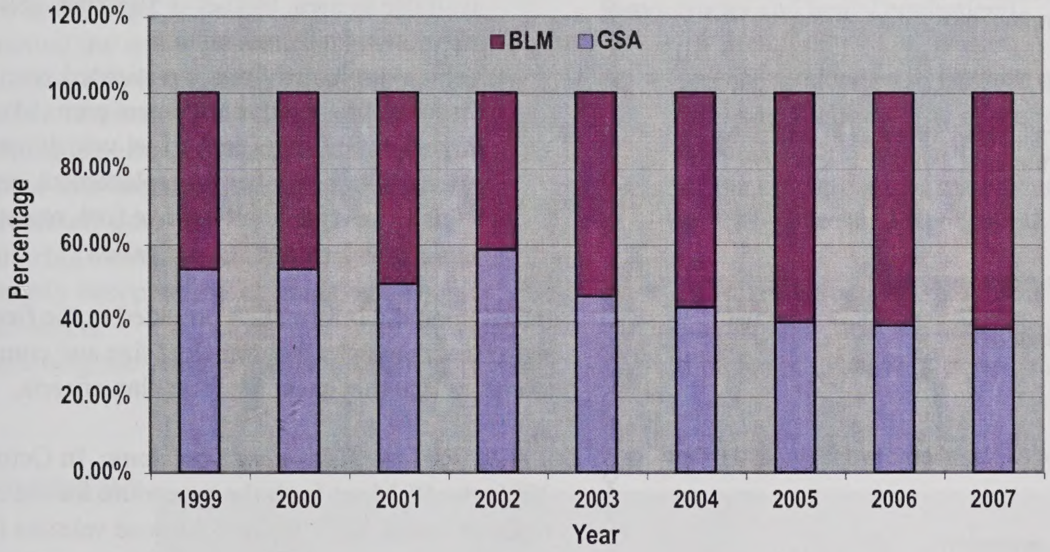


Figure 7. History of BLM rental payments (%).

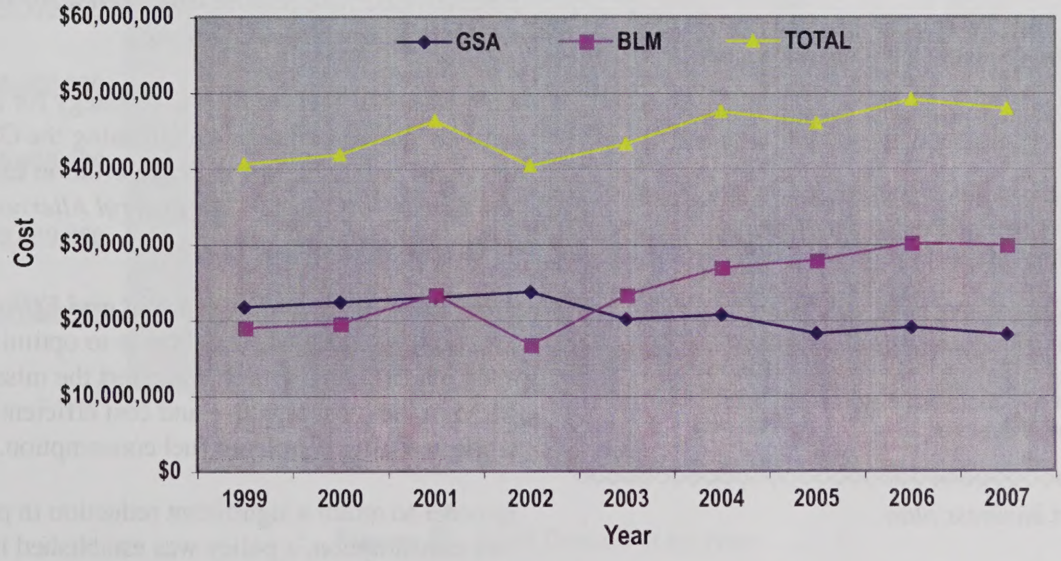


Figure 8. History of BLM rental payments ($).

effective and cost efficient way possible while reducing fossil fuel consumption. The development of an optimal fleet size and composition is dependent upon a starting baseline inventory and followed by a thorough analysis of the individual fleet compositions in each field office.

Each BLM field office has been asked to determine the optimum number of vehicles and the right mix of vehicle types they require to support the Bureau's mission (see Figure 9 and ***http://web.blm.gov/internal/wo-500/directives/dir-05/im2005-168_a1.pdf***).

Develop State Fleet Plan

- Minimize fossil fuel consumption through downsizing fleet
- Incorporate more fuel efficient vehicles (hybrids, alternative fuel vehicles or AFVs, biodiesel, biofuels, etc.) in fleet mix
- Pooling/sharing strategy
- Obtain an overall 3 mpg increase in overall fuel economy over the next 3 years
- Reduce costs, $/mile, and overall costs

Technology Improvements

- Use of transponders
- Oil analysis
- Increase use of AFVs, alternative fuels, and hybrid electrics

Program Improvements

- Establish a Fleet Working Group
- Develop a Web site to incorporate alternative vehicles and comprehensive specifications
- Improve communication with the specialists in the field offices to ensure mission needs are met
- Develop performance matrix for each vehicle type and provide information and specifications on more efficient alternatives
- Create measuring points to track energy consumption for each class of vehicle
- Implement a redesigned Automated Fleet Management System

Figure 9. *Fleet business plan.*

3.H.5. Factors to Consider in Fleet Planning: Since 2003, each BLM manager has been asked to conduct a thorough analysis of their motor vehicle fleet based upon individual vehicle justifications. Fleet information is entered into a database either at the state or field office level. Once the information has been completely entered for every vehicle in the fleet, each field office manager submits an approved copy of the database to the state office for review, concurrence, and submission to the headquarters office. The database includes:

- Vehicle Inventory Data: fleet standard item number, vehicle mission, year-round or seasonal-use vehicle
- Vehicle Utilization Data: number of days used (annually), justification for retention, average number of passengers
- Alternative Fuel Data: fuel type, fuel type available in area, biofuel or flex fuel, gallons of alternative fuel consumption
- Vehicle Projected Data: anticipated year of disposal, projected replacement plan (like vehicle, larger, smaller, alternative fuel vehicle, or none), standard item number for replacement, replacement vehicle fuel type if alternative fuel, replacement vehicle projected miles per gallon

Based upon the information provided in the fleet plan, state fleet managers monitor fleet size and composition to ensure that they meet the fleet plan criteria.

3.H.6. Fleet Replacement Decisions: In October 2006, the BLM set forth the procedure for the cyclical replacement of WCF general purpose vehicles from the existing fleet with more fuel-efficient vehicles (IM No 2007-001 at ***http://web.nc.blm.gov/nhrmc/IM/IM-FY2007-PDFs/BC%20IM-2007-001%20Procuring%20Light%20Duty%20Vehicles.pdf).***

This policy furthers the BLM's strategy for complying with Executive Order 13149, Greening the Government through Federal Fleet and Transportation Efficiency, and Executive Order 13031, *Federal Alternative Fueled Vehicle Leadership.*

3.H.7. Ensuring an Economical and Efficient Fleet: The goal of the BLM Fleet Plan is to optimize fleet size and composition in order to support the mission of the BLM in the most effective and cost efficient way possible while reducing petroleum fuel consumption.

In order to attain a significant reduction in petroleum fuel consumption, a policy was established in 2006 that set a specific goal to improve fuel efficiency in the

BLM's general purpose fleet by 3 miles per gallon (mpg) by FY 2009. In order to accomplish this goal, beginning in FY 2007, the fuel efficiency for all replacement vehicles have to average 5mpg higher than the petroleum efficiency of the vehicles they are replacing. This policy will be in effect until the general purpose fleet attains a 17-mpg average efficiency.

States are encouraged to acquire AFVs, which will not be subject to the above standard.

Field office managers and fleet managers are strongly encouraged to initiate local plans to improve fuel efficiency by:

- Encouraging the use of more fuel efficient vehicles whenever possible
- Pooling vehicles and reducing redundant or unnecessary trips
- Promoting the use of alternative fuel refueling facilities even when it takes more time or is a few miles out of the way
- Providing training for vehicle operators on behavior that improves fuel efficiency (***www.fueleconomy.gov***)
- Monitoring individual vehicle fuel consumption to identify best practices or areas requiring improvement
- Maintaining the vehicle at the most efficient levels

In order to facilitate the attainment of the above standard, the WCF initiated a premium/discount program that is to be applied to the use rates of more efficient classes of WCF vehicles. This program is designed as an economic incentive to encourage the use of vehicles that attain higher mpg rating.

It is the responsibility of the fleet managers to determine how their state can meet this goal without detrimentally affecting BLM's strategic goals. Progress will be measured using past and current data, with data from more recent years being given more weight.

3.H.8. Managing Fleet Operations and Maintenance Costs: All of BLM's general purpose vehicles are managed using the Bureau's WCF. The WCF collects from appropriated funding as the vehicle is used based upon miles driven or hours of operation (for medium and heavy trucks and heavy equipment).

- The use rate collected is based upon historical data, which projects the cost of operating the vehicle (Figures 10 and 11). This amount pays for the operations and maintenance costs of the vehicle.

- The fixed ownership rate that is collected is based upon a projection that takes into account when the vehicle will need to be replaced, how much the

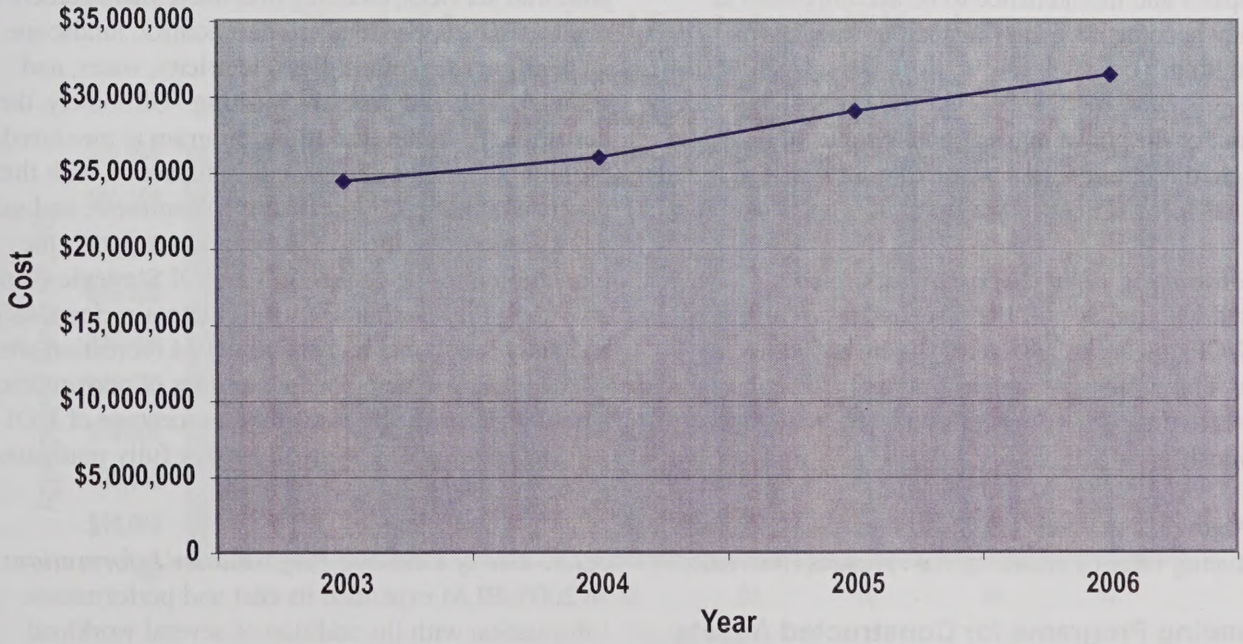


Figure 10. BLM fleet costs by year.

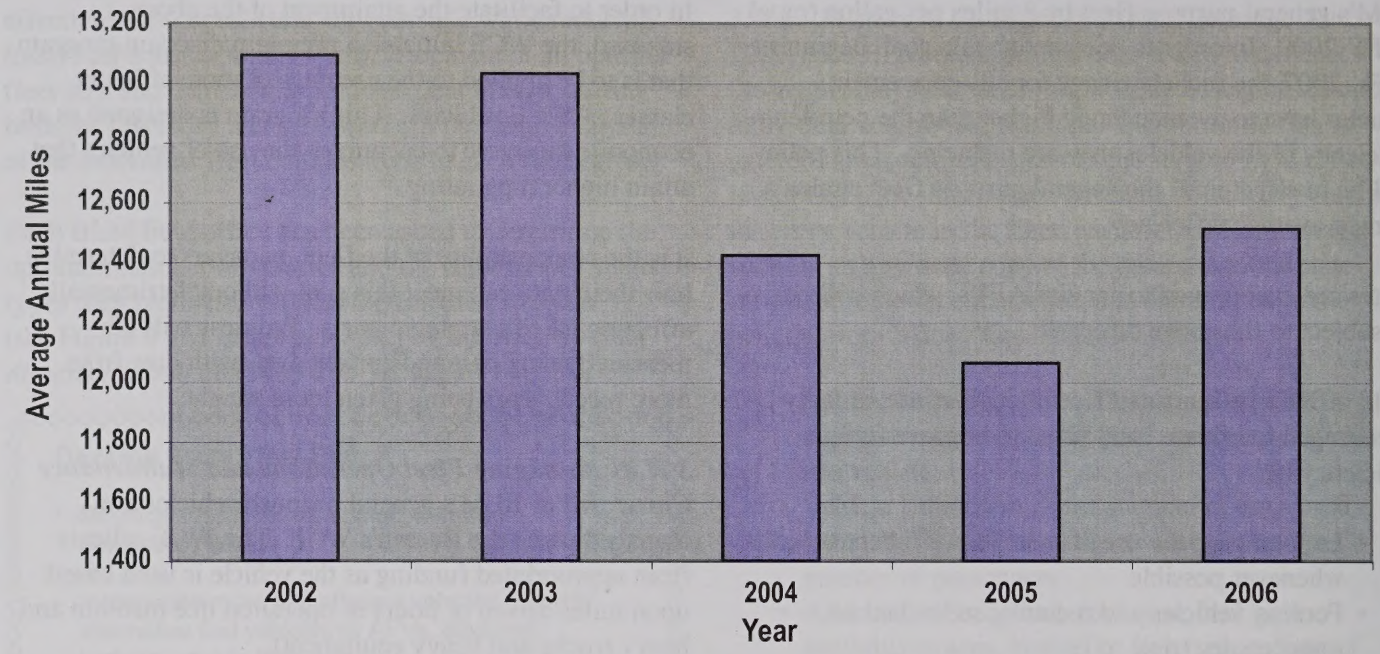


Figure 11. Average utilization per general purpose vehicle over the past 4 years.

replacement will cost, and how much revenue the BLM will retain from the sale of the vehicle. This amount is used to replace the vehicle at the end of its useful life.

- By using the WCF to help manage the fleet, the BLM is able to maintain its fleet in good condition, reducing down time and minimizing safety hazards. The WCF makes it possible for repairs and maintenance to be accomplished as they become necessary instead of waiting for funding.

As a result of the above management policy, 94.4 percent of the light duty fleet is less than 6 years old and 87.7 percent has less than 60,000 miles on it.

3.H.9. Managing Fleet Disposal Costs: Costs associated with the disposal of fleet assets are absorbed by the WCF and are minimized by increased sales revenue. The WCF provides field offices with substantial incentives to dispose of vehicles and heavy equipment expeditiously by:

- Charging the using activity if the vehicle is "parked"
- Reducing rates by retaining the revenues from sales

3.I. Funding Programs for Constructed Assets

Figures 12 and 13 are indicative of the static funding levels regarding both new construction, deferred maintenance and operations and maintenance funding for BLM. Paragraphs 3.J through 3.N provide in-depth discussion regarding the program subactivities.

3.J. Operations

The operations subactivity was established to fund activities that assist in the smooth operation of BLM recreation facilities. Operations funds are used for janitorial services, cleaning and waste management of comfort stations, rodent and pest control, landscape upkeep, payment of utilities (electricity, water, and sewage), fuel, and pressure washing. Ultimately, the performance in the operations program is measured through the degree of customer satisfaction with the physical condition, functionality, cleanliness, and safety of recreation facilities. This program supports the recreation mission goal from the DOI Strategic Plan by providing the funding needed to maintain clean, safe, and fully functional facilities at BLM recreation sites. A key intermediate outcome measure of performance would involve an increase in the percentage of DOI facilities that can be brought up to or fully maintained at an acceptable condition standard.

3.J.1. Use of Cost and Performance Information: In 2005, BLM expanded its cost and performance information with the addition of several workload measures targeted at tracking condition assessments and the maintenance of buildings located at both recreation and administrative sites. Operations program activities

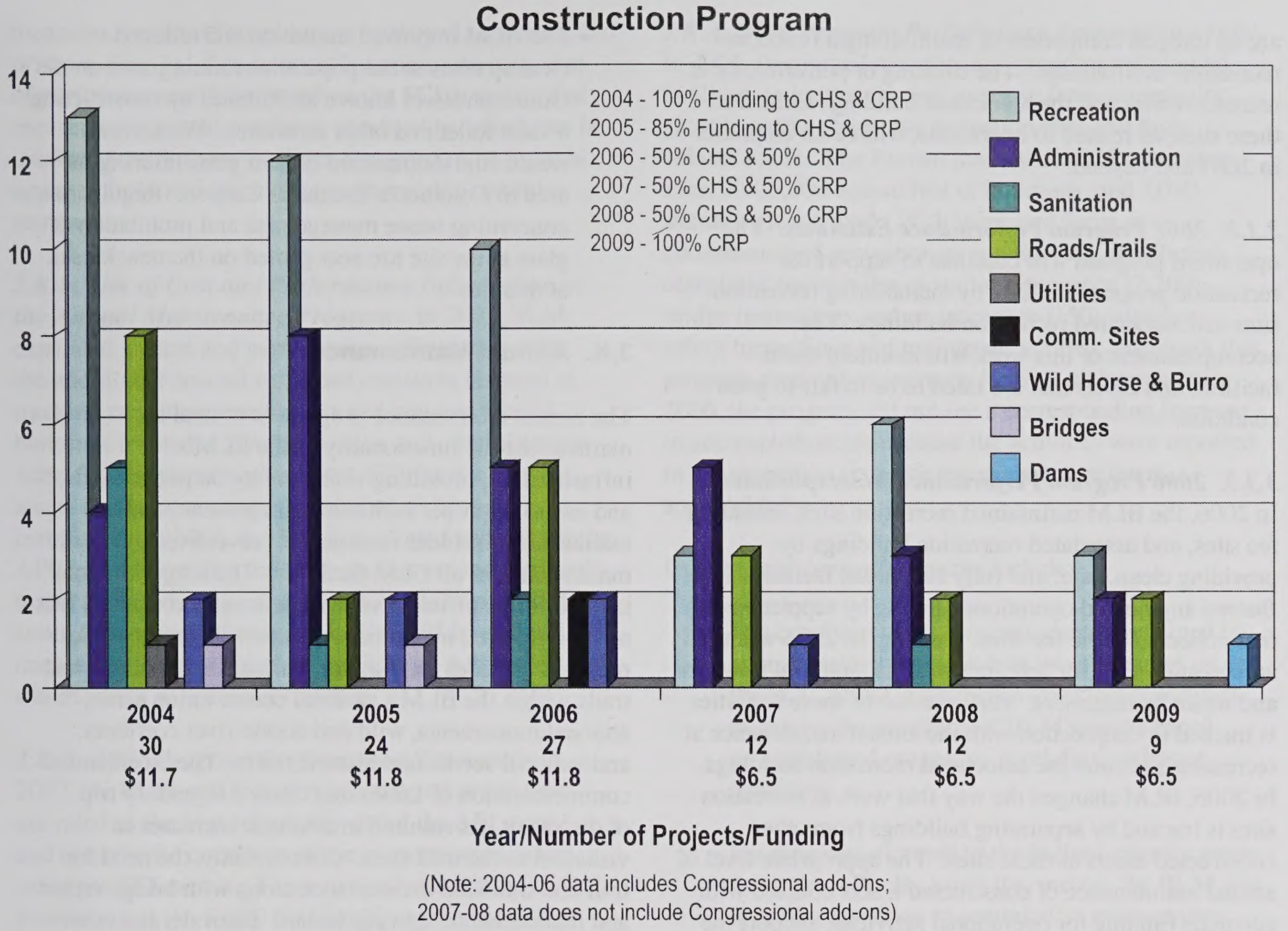


Figure 12. Construction spending for major asset categories.

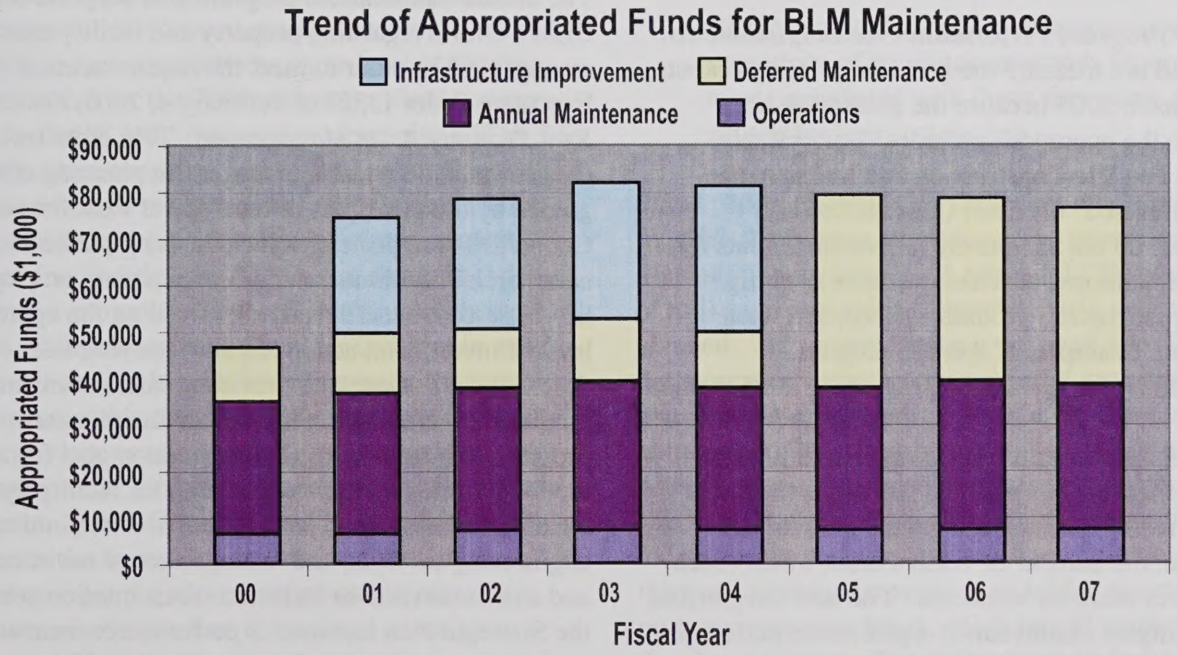


Figure 13. Maintenance spending for all asset categories. (Note that the deferred maintenance and infrastructure improvement funds were split into two distinct subactivities [1653 and 1654, respectively] from FY 2001 to FY 2004. Beginning in FY 2005, both subactivities were combined into a single subactivity [1653].)

are an integral component of maintaining a functional recreation environment. The tracking of performance at recreation sites and the associated buildings located at these sites, as related to operations, will be an emphasis in 2007 and beyond.

3.J.2. 2007 Program Performance Estimates: The operations program will continue to support the recreation program in 2007 by maintaining recreation sites and associated recreation buildings. The accomplishment of this work will maintain those facilities and assets that are rated to be in fair to good condition.

3.J.3. 2006 Program Performance Accomplishments: In 2006, the BLM maintained recreation sites, including fee sites, and associated recreation buildings by providing clean, safe, and fully functional facilities. The Bureau augmented operations funding by supplementing fees collected at the fee sites. Funding in 2006 was used at recreation sites for activities such as janitorial services and waste management. Performance of these activities is tracked in conjunction with the annual maintenance at recreation sites and the associated recreation buildings. In 2006, BLM changed the way that work at recreation sites is tracked by separating buildings from other constructed assets at these sites. The appropriate level of annual maintenance of constructed assets coupled with adequate funding for operational activities, support the BLM and DOI mission areas of serving communities, supporting recreation activities, and resource protection.

3.J.4. 2005 Program Performance Accomplishments: The BLM did not measure the goals for primary outputs for operations in 2005 because the goals were not applicable to the operations program. For example, "Recreation Fee Site Construction and Maintenance Projects Completed" or "Trail Construction and Maintenance" do not adequately reflect the outputs for utilities, fuel, janitorial services, pressure washing, rodent and pest control, grounds upkeep, and waste management. Examples of specific projects accomplished by the operations program in 2005 include:

- The BLM provided restrooms, drinking water, campsites, boat ramps, and day use picnic areas at recreation sites. During the peak summer season, the number of visitors often would reach 1,000 or more on weekends. The new Oregon and Washington maintenance organization performed cleaning, trash removal, and grounds upkeep. Pumping of vault toilets was accomplished under contract.
- The BLM improved sanitation and reduced cleanup costs at the popular swimming area on the Gunnison River known as Potholes by constructing a vault toilet and other amenities. Work crews would find diapers and broken glass littering the area in Colorado's Escalante Canyon. Regulations concerning waste management and prohibition of glass at the site are now posted on the new kiosks at this site.

3.K. Annual Maintenance

The annual maintenance program is critical to maintaining the functionality of the BLM's infrastructure, providing visitor safety on public lands, and ensuring proper facilities management. Annual maintenance includes emergency, preventive, and cyclic maintenance of all BLM facilities. The long-term goal is to perform sufficient annual maintenance work so that no new deferred maintenance needs will accrue. The program provides funding for maintaining facilities and trails within the BLM's national conservation areas, national monuments, wild and scenic river corridors, and national scenic and historic trails. The bicentennial commemoration of Lewis and Clark's legendary trip of discovery has resulted in dramatic increases in visitation to the trail sites. Consequently, the need for trail and trailhead maintenance along with bridge repair and replacements, signing, hazard removals, and other maintenance work near the trail sites has increased.

The annual maintenance program also supports the BLM's efforts regarding property and facility asset management in order to meet the requirements of Executive Order 13327 of February 4, 2005, *Federal Real Property Asset Management.* This order includes the continuation of asset management planning efforts guided by the principles of the Federal Real Property Council. These principles include using public and commercial benchmarks and best practices; employing life-cycle cost-benefit analysis; providing the appropriate level of investment; accurately inventorying and describing all assets; and providing safe, secure, and productive workplaces. The annual maintenance program supports the recreation mission goal from the DOI Strategic Plan by providing for facility cyclic condition assessments, professional architectural and engineering services, and management of environmental and structural risks to facilities. Each mission goal of the Strategic Plan has several performance measures to gauge progress towards meeting mission goal accomplishments, including end outcome goals and measures, intermediate outcome goals and measures, and primary outputs. Key intermediate outcome measures of performance will be based on the FCI, a metric that measures the actual condition of a facility, which can be used to identify those facilities that need to be brought up to, or fully maintained at, an acceptable condition standard.

3.K.1. Use of Cost and Performance Information in the Annual Maintenance Program: In 2005, BLM expanded its cost and performance information with the addition of several workload measures targeted at tracking condition assessments and maintenance of buildings located at both recreation and administrative sites. The implementation of the FCI for constructed assets at recreation and administrative sites was completed. In 2006, the BLM developed and piloted the API, which identifies those assets that are most critical to the BLM's mission, and assists in optimizing BLM's annual maintenance budget. In 2007, BLM will fully implement the concept of using FCI and API in deciding which assets will receive funding.

3.K.2. 2007 Program Performance Estimates: In 2007, the BLM will focus on constructed assets that are rated as the highest priority using the API metric and identify the condition of these constructed assets using the FCI metric. These two metrics are the foundation of the FRPP for identifying the condition of constructed assets and for targeting those assets that can be disposed of or require additional annual maintenance or supplemental funding from deferred maintenance funds. Annual maintenance work will be completed at approximately the same level of funding as was provided for the 2006 program. Visitor centers opened by the BLM in the last few years also add to the annual maintenance cost. Nearly every year Congress provides additional construction funds for new visitor centers, which increases the amount of sustainment effort and funding that the BLM must obtain in order to maintain the appropriate level of condition of the new facilities while maintaining the older facilities in good condition. Funding has not been increased for annual maintenance, rather the funding levels have been static. These new visitor centers include the National Historic Trails Interpretive Center in Casper, Wyoming, and the Fort Benton Visitor Center in Fort Benton, Montana. BLM funds the operations and maintenance of these new centers from the annual maintenance subactivity. The increase in the number of facilities to maintain has required BLM to prioritize maintenance work and postpone some work to future years.

3.K.3. 2006 Program Performance Accomplishments: In 2006, the annual maintenance program maintained facilities under the greatest pressure from community growth, such as high-use recreation sites and high-volume roads. The Bureau maintained 925 recreation sites, 2,000,000 square feet of buildings, and 7,090 statute miles of road. With increased focus on maintenance of recreation sites and roads, the Bureau completed fewer miles of trail maintenance (2,200), bridge inspections and maintenance (150), and dam safety inspections and maintenance (130). Although this program received an increase for trail maintenance in 2006, the program did not see a corresponding increase in accomplishments because the activities were reported in the recreation resource management program, appropriately.

Examples of accomplishments include:

- The condition of constructed asset maintained by annual maintenance funding was measured using the FCI. This Departmentwide effort objectively measures the condition of BLM's assets based on established ranges for good, fair, and poor condition.

- Funding was directed to the highest priority assets using the API. By using this metric, the BLM was in a better position to optimize its maintenance dollars and identify which assets are candidates for disposal.

- BLM measured annual maintenance and operations of buildings separately from other assets associated with these sites using gross square-footage cost models.

3.K.4. 2005 Program Performance Accomplishments: In 2005, the Bureau maintained 934 recreation sites, or nine more than planned. A total of 2,170 statute miles of trail were maintained; however,3,013 miles were planned. Trail maintenance is accomplished in both the recreation resources management program and the annual maintenance program. The Bureau exceeded the number of miles of roads maintained by 497 miles. This was a 7 percent increase over the planned number and was a result of favorable climatic conditions allowing for additional maintenance mileage. One hundred and thirty-nine bridge inspections or bridge maintenance projects were completed, which was 81 projects below the planned target. The difference was due to other programs appropriately reporting these projects. Dam safety inspections and maintenance projects totaled 126. This was 52 projects fewer than planned, and the difference is due to other programs appropriately reporting dam safety inspection and maintenance projects.

Examples of specific projects accomplished by the annual maintenance program in 2005 include:

- The BLM implemented the new most efficient organization (MEO) for the maintenance of roads, recreation, and facilities in Oregon and Washington.
- The third phase of the FAMS implementation was piloted at the Meadowood Special Recreation Management Area in northern Virginia.
- Maintenance work continued on BLM-managed segments of the Pacific Crest National Scenic, Iditarod, and Continental Trails.
- About 240 miles of resource roads in central Utah were graded and had rockslides and washouts removed.

3.L. Deferred Maintenance

It is essential to maintain the physical and functional condition of BLM-owned facilities. The main objective of the deferred maintenance (DM) program is to reduce the accumulated maintenance backlog and to improve the overall physical and functional condition of BLM-owned facilities. DM is defined as maintenance that was not performed when it should have been (i.e., annual maintenance) and was put off or delayed until a future time. The accumulated maintenance backlog consists of repairs, renovations, replacements, and other maintenance of buildings, recreation sites, administrative sites, roads, and other constructed assets. Related efforts such as facility condition assessments, professional engineering services, program oversight, database management, management of environmental and structural risks of facilities, and dam and bridge inspections are also part of the DM program.

Baseline condition assessments of all recreation sites and administrative sites, including onsite buildings and structures, have been completed. The BLM established a 5-year cycle for followup, periodic condition assessments, with approximately 20 percent of all BLM recreation sites and administrative sites slated to be assessed each year. Baseline condition assessments of roads, bridges, and dams are currently underway and the baseline assessments of roads and trails are planned for completion by the end of FY 2007.

The condition assessment process identifies deferred maintenance needs and determines the current replacement value of constructed assets. By knowing the estimated cost of deferred maintenance and the replacement value of recreation sites and administrative sites, the BLM can compute the FCI. The FCI is the ratio of accumulated deferred maintenance to the current replacement value (FCI = deferred maintenance/current replacement value). It is an indicator of the depleted value of capital assets. The general rule is that FCI should be below 0.10 for a facility to be considered in good condition. Data from the condition assessments is entered into FAMS. FAMS is the result of the Department's effort to establish a common maintenance management system in the land-managing bureaus. It was designed to integrate asset management systems and improve property and facility management at all levels.

Deferred maintenance needs identified in condition assessments and other inspections are developed into specific projects and assembled in the *Five-Year Deferred Maintenance and Capital Improvement Plan.* Standard criteria for ranking the projects established by the Department are used to prioritize the projects in the 5-year plan. Investments in deferred maintenance preserve the useful life and condition of facilities, improve workplace safety and productivity, and increase visitor satisfaction with BLM facilities. The DM program also supports development of BLM's AMP, as required by Executive Order 13327 of February 4, 2004, Federal Real Property Asset Management. With implementation of the AMP, the BLM will streamline its portfolio of assets and optimize maintenance of those assets that contribute most significantly to its mission and strategic goals. The BLM expects to dispose of unneeded assets so it can affordably maintain and sustain that portfolio.

3.L.1. Use of Cost and Performance Information: Cost and performance information, including activity-based costing (ABC) and workload data and productivity trends are evaluated on an annual basis, at a minimum. The Department requires a project status and completion report at the end of each fiscal year. The Department's key performance metric is project completions: 30 percent of a given year's projects are to be completed the first year after being funded, 70 percent after the second year, and 95 percent after the third year. BLM's attention is on efficient use of funds, specifically obligations and carryover. The Department established a 5-year planning process for deferred maintenance in consultation with the OMB. Five-year plan ranking criteria places the highest priority on critical health or safety, followed by critical resource protection, and then by mission criticality. Deferred maintenance projects and costs are reviewed and those scoring highest, under the priority ranking review, are funded first.

BLM has used cost and performance analyses to fine tune the deferred maintenance plan and its execution:

- Cost data from previous years on work activities such as road maintenance, contract development, and improved facility cost saving methodologies are used to determine funding levels, project development, and contract awards.
- The BLM state offices are now phasing more projects over 2 or more funding years to minimize carryover.
- The BLM state offices also combine small items into larger projects to achieve Economies of scale and management.

3.L.2. 2007 Program Performance Estimates: Fifty-seven specific deferred maintenance line-item projects are planned for 2007. The 2007 deferred maintenance plan continues the implementation and execution of Departmentwide initiatives such as condition assessments of constructed assets, maintenance of FAMS, and asset management planning. At the requested level, the Bureau will complete the following deferred maintenance projects in 2007: 14 recreation sites, 43 statute miles of trail, 5 bridges, 2 dams, 26 administrative sites, and 48 miles of roads. Each of these projects received a score through the asset management process; the scores are used to rank the projects by priority and projects are selected by priority ranking. The only exception to the use of the priority ranking system occurs when two similarly ranked projects cannot be completed in the same year due to staffing issues or unavailability of contractors.

A full description of the 2007 projects can be found in the companion volume, the *2007– 2011 Deferred Maintenance and Capital Improvement Plan.*

3.L.3. 2006 Program Performance Accomplishments: Fifty-one specific deferred maintenance projects were underway in 11 geographic states. In addition, all 12 BLM State Offices received allocations for work in 13 geographic states. The allocations were for security and accessibility improvements, renewable energy and energy conservation, facility-related corrective actions, condition assessments, project and contract management, information technology, and survey and design for 2007 projects. Nine BLM state offices requested and received funding for special projects to support the commemoration of the centennial of the Antiquities Act of 1906 and further the goals of Executive Order 13287 of March 3, 2003, *Preserve America.* A one-time distribution of $300,000 was made for condition assessments of cultural and historic properties, repairs and improvements, and corrective actions pertaining to safety, accessibility, and lasting stabilization. The projects selected had strong community interest and were important to the local economies, and BLM leveraged this funding by attracting partnership participation and additional funding. Overall, the Bureau completed the following deferred maintenance efforts during 2006: 3 recreation sites, 167 statute miles of trail, 4 bridges, 4 dams, 15 administrative sites, and 35 miles of road. The conference report directed the BLM to use $4.0 million of deferred maintenance funding to complete "range improvement activities." The BLM used existing projects in the *Five-Year Deferred Maintenance and Capital Improvement Plan* to select range improvement deferred maintenance projects totaling $4.0 million.

Examples of 2006 projects include:

- Alaska – The Alaska Fire Service replaced tower structures and antenna mounting structures with new towers and mounting structures at six radio communications sites. The existing structures were unsafe to climb. The new tower structures and antenna mounting structures met fall protection standards.
- Idaho – The Lower Snake River District completed a five-phase project to upgrade and expand wild horse care, adoption, and administration facilities. The corrals were over 20 years old and the outdated configuration and deteriorated construction materials endangered employees and animals.
- Oregon – The Burns District rebuilt corral pens and gates, replaced water lines and troughs, and made other repairs at the wild horse and burro corrals. The facility was built in the 1970s and the work was needed to improve operations and employee safety.

- Utah – The Price Field Office rebuilt the boat ramp and the long-term parking area and constructed eight additional campsites at the Sand Wash Ranger Station.

- Wyoming – The Rawlins Field Office completed construction of the replacement of Red Creek Bridge. Most of the traffic services the oil and gas fields in the area.

3.L.4. 2005 Program Performance Accomplishments: The deferred maintenance program initiated projects and related work in 14 geographic states under the direction of all 12 BLM state offices. The Consolidated Appropriations Act of 2005 shifted funding for the infrastructure improvements program into the DM program. The combined total of $41,192,000 (after rescission) was reduced to $38,692,000 when $2,500,000 was reprogrammed to the oil and gas management program after a midyear evaluation of the needs of each program. Some deferred maintenance projects were delayed and one project was cancelled when partners withdrew from the project. In 2005, the Bureau exceeded planned accomplishments for the following deferred maintenance work: 73 recreation sites, 8 bridges, 13 dams, 51 administrative sites, and 119 miles of road. When the planned accomplishments were developed, two subactivities existed: deferred maintenance and infrastructure improvement; however, these two subactivities were merged into deferred maintenance by the Consolidated Appropriations Act of 2005; therefore, accomplishments in the deferred maintenance program were greater than planned.

Examples of 2005 accomplishments include:

- Alaska – Survey and design work was completed for a three-phase project to replace the water and sewer system at Campbell Tract Facility with utility connections to the Municipality of Anchorage water and sewer systems. The current wastewater disposal system is a seepage lagoon providing only primary treatment of effluent. The Alaska Department of Environmental Conservation directed the BLM to close the lagoon by 2008.

- Colorado – The roof was replaced on the Anasazi Heritage Center, BLM's interpretive and cultural resource facility. The center has permanent and temporary exhibits, a theater, a library, collections storage, conservation and research laboratories, and a bookstore and contains 3.2 million Native American artifacts and records. The roof had been patched may times and was well beyond its useful life.

- Montana – Survey and design for low-level outlet works, chimney drain, toe drain, embankment rehabilitation, and riprap reconstruction for two high hazard dams, Dry Blood Reservoir and Duck Creek Reservoir, were completed for construction in 2006.

- New Mexico – Work was completed on a two-phase project to rehabilitate the access road and parking lot/trailhead at the Bisti Wilderness Area, which attracts over 10,000 visitors annually. The work included reestablishing roadway drainage, regrading and resurfacing the roadway, and relocating the parking lot/trailhead for safer access to the wilderness site.

- Utah – Repairs were made on many roads in the Moab area that had poor drainage and deteriorated running surfaces. The work included installing culverts and side ditches, forming crowned running surfaces, and applying new surface materials. The scenery and natural features are so spectacular that millions of tourists visit the Moab area every year.

3.M. Space (Fixed Costs)

This subactivity pays for Bureauwide and Departmental WCF fixed costs, including the space rental, telecommunications, federal payroll and personnel system, mail and postal costs, unemployment insurance, workers compensation, and systems funded through the Departmental WCF. Some of these funds are explicitly provided in the Congressional appropriation as uncontrollable costs.

Office space leasing is the largest of BLM's fixed costs. The rental of general purpose office space and associated facilities is classified in two ways. GSA rental space includes the GSA's rent, with associated utility and security charges for rental of office, warehouse, storage, and other facilities occupied by the BLM. Space controlled by the BLM includes rental costs for space leases that were transferred from the GSA to the BLM on October 1, 1987, plus the transfer of new leases every year from the GSA. These leases are for facilities occupied by BLM personnel as well as Forest Service and other DOI personnel. BLM leased space also includes utility costs that have been systematically removed from leases to reduce energy consumption. DOI controlled space funding is included under the Departmental WCF. Collocation with DOI and other federal agencies, such as the Forest Service, will be regarded by field office managers as the first option to consider for new space requests. The BLM will continue conserving space in this manner to reduce space costs and improve service to customers by joining with other land management agencies to provide more efficient and effective services.

3.N. Construction

The construction program is critical to BLM's mission to replace or reconstruct existing roads, trails, bridges, recreation and administrative facilities, and buildings. The public use of BLM public lands, resources, and facilities continues to grow substantially as the population grows and expands in the West. Facilities are constructed to help satisfy the needs of the public and to protect both the visiting public and the environment for visits to the public lands of the West. This is accomplished by providing quality infrastructure that meets the needs of a variety of resource user groups, including outdoor enthusiasts, livestock permittees, oil and gas companies, timber companies, and others, while protecting the Nation's natural, cultural, and heritage resources. The Bureau's construction projects are as varied as the individuals and groups that use them.

3.N.1. Use of Cost and Performance Information: The BLM continues to develop processes that will help manage an expanding asset inventory. The ongoing development of the BLM AMP will help establish a system that will identify our assets, determine how much they cost BLM to operate and the importance they have to the mission of the BLM. The AMP will help distribute the funds where they are most needed and make provisions to plan for the disposal of unneeded assets. The BLM continues to update its *Five-Year Deferred Maintenance and Capital Improvement Plan* annually. Each plan identifies the projects of greatest need in priority order with focus first on critical health and safety and critical resource protection. The planning for each project has expanded to include how much the new project will impact the BLM overall budget. Project submissions will include the estimated operational expenses for new projects and the projected new costs of proposed DM projects. The BLM, and primarily the state, district and field offices, have undertaken a very labor-intensive effort to build the project lists for the development of the 5-year plan.

3.N.2. 2007 Program Performance Estimates: For 2007, the BLM requested funding for construction of 12 projects in six states and architecture and engineering construction support services in the National Science and Technology Center and Protection and Response Division, for a total of $6,476,000. Approximately 70 percent of the 2007 construction projects are currently, or will become, part of the Recreation Fee Demonstration Program upon completion of construction work. Current recreation fees do not generate sufficient revenue to recover capital investment costs or provide for all maintenance requirements. However, recreation fee revenues are likely to increase once the improvements are completed, in part as a result of increased visitation to these improved sites. In 2003, BLM established a national fee committee to address Bureau consistency in setting fees for specific types of sites. This team also set minimum fees in order to do a better job of consistently recouping a larger portion of the maintenance costs.

3.N.3. 2006 Program Performance Accomplishments: In 2006, the accomplishments in the construction program included projects in nine states for a total of $11,869 million.

3.N.4. 2005 Program Performance Accomplishments: In 2005, the major accomplishments in the Construction program included projects in 10 states and totaled $11,340,000 (including rescissions).

4. Program Management

4.A. Owned and Constructed Assets

4.A.1. The API/FCI Relationship in the BLM: BLM's asset management strategy integrates the Bureau's four mission areas into a single priority rating for each asset in order to identify the importance of the asset to mission accomplishment. Those assets with a higher priority rating also derive a higher emphasis in resource allocation and oversight within the asset management program.

Conversely, FCI within the BLM represents the current physical condition of the asset, irrespective of mission impact or management emphasis. Those assets with a higher FCI are generally in a poorer condition relative to those with a lower FCI (although comparisons across asset categories can sometimes be misleading).

Within the BLM, the API/FCI relationship provides both metric and management tools for the effective stewardship of the Bureau's assets. At this time, the API/FCI relationship helps align and focus the Bureau's short- and long-term strategies for "assets of interest," based on their impact on the Bureau's mission and current condition (the lower half of the y axis), as well as target resource expenditures to the Bureau's critical assets (the upper half of the y axis).

The API/FCI relationship also helps integrate mission priorities with an asset's condition and identify the effectiveness of the Bureau's asset management strategy with respect to the condition of high-priority assets. Improvements in the FCI of high API assets represent an appropriate long-term metric for the effectiveness of the overall AMP.

BLM recognizes that the API/FCI relationship is a filter to identify "Assets of Interest" in the SSABP for further management consideration. These identified exceptions are integrated with available operations and maintenance costs and utilization data allowing the decisionmaker to make an informed investment decision regarding each asset, as well as the entire portfolio. With continuing maturity of these metrics, the confidence of the decisionmakers to rely upon this data will continue to grow in the future.

4.A.2. Asset Conditions and Programmatic Requirements Affecting Decisions: The API/FCI relationship integrates asset condition (FCI) and programmatic requirements (API) into a decision framework. The Bureau's API methodology allows for changes in programmatic requirements and provides an integrated mechanism for reflecting those changes within each asset's API. As programmatic requirements shift, the APIs shift accordingly to reflect the Bureau's mission priorities.

The asset management decision process is rooted in the concept that resource and managerial focus should align with asset priority. Consequently, those assets with a higher priority are generally the focus of more aggressive management strategies and higher resource expenditures. Decisionmaking from the headquarters office down to the field office generally aligns around the same premise: that those assets that provide the highest value are prioritized first.

4.A.3. Resource Allocation to Repair, Rehabilitate, or Replace Higher Priority Assets: The Bureau's approach to resource allocation for higher priority assets outside of the general operations and maintenance activities is generally described in section 3.A.1. The project ranking process addresses major repair, rehabilitation, and replacement for all assets and generally allocates resources to those needs that demonstrate a significant requirement with respect to "critical health and safety" and those with a high API.

Annual maintenance funding is allocated in alignment with the defined needs of the assets and their respective APIs. Allocation of the annual maintenance funding to meet repair needs is generally accomplished within BLM's state and field offices.

4.A.4. BLM's Use of Performance Measures to Make Management and Funding Decisions: The Bureau's asset management strategy is designed to integrate API, FCI, and O&M costs into the management funding decision process. While utilization provides a relevant measure in commercial real estate and related office space, its application to remote transportation systems, recreation sites, and related assets that exist for general management functions is still unclear. Consequently, utilization on those required assets is not incorporated into management funding decisions.

The Bureau's asset management strategy for funding decisions is shown in Figure 14. It incorporates four basic steps:

1. Identify appropriate maintenance needs to maintain an asset in acceptable working condition.

2. Develop an API for all assets.
3. Develop a FCI for all assets.
4. Invest available funding (annual maintenance, deferred maintenance) to maximize the impact of the resource expenditure on high-priority assets.

4.A.5. Integration of FRPC with the Financial and Business Management System (FBMS) and Facilities Management System (FMS): BLM's asset management model and defined asset management business processes provide a defined integration process with FBMS and FMS. BLM's asset management model establishes basic asset categories and subcategories that align directly to FBMS and FRPC asset categories.

Asset categories form the basis of BLM's asset inventory business model and provide for:

- Standardized maintenance costs by asset category unit of measure
- Standardized baseline API by asset category
- Standardized CRV by asset category

In addition to asset categories, the BLM's 140 field offices are the basis for geographical and mission-specific adjustments to baseline asset information. They provide:

- Location adjustment factors to aligning resource requirements to the unique circumstances at each of the Bureau's 140 field offices

- Mission weights that reflect the particular emphasis or focus for each field office with respect to the Bureau's four mission areas

The process-based approach and defined business rules embedded within the BLM's asset management program provide a logical approach to the integration of the FRPC performance measures and within the development of the FBMS and FMS management programs.

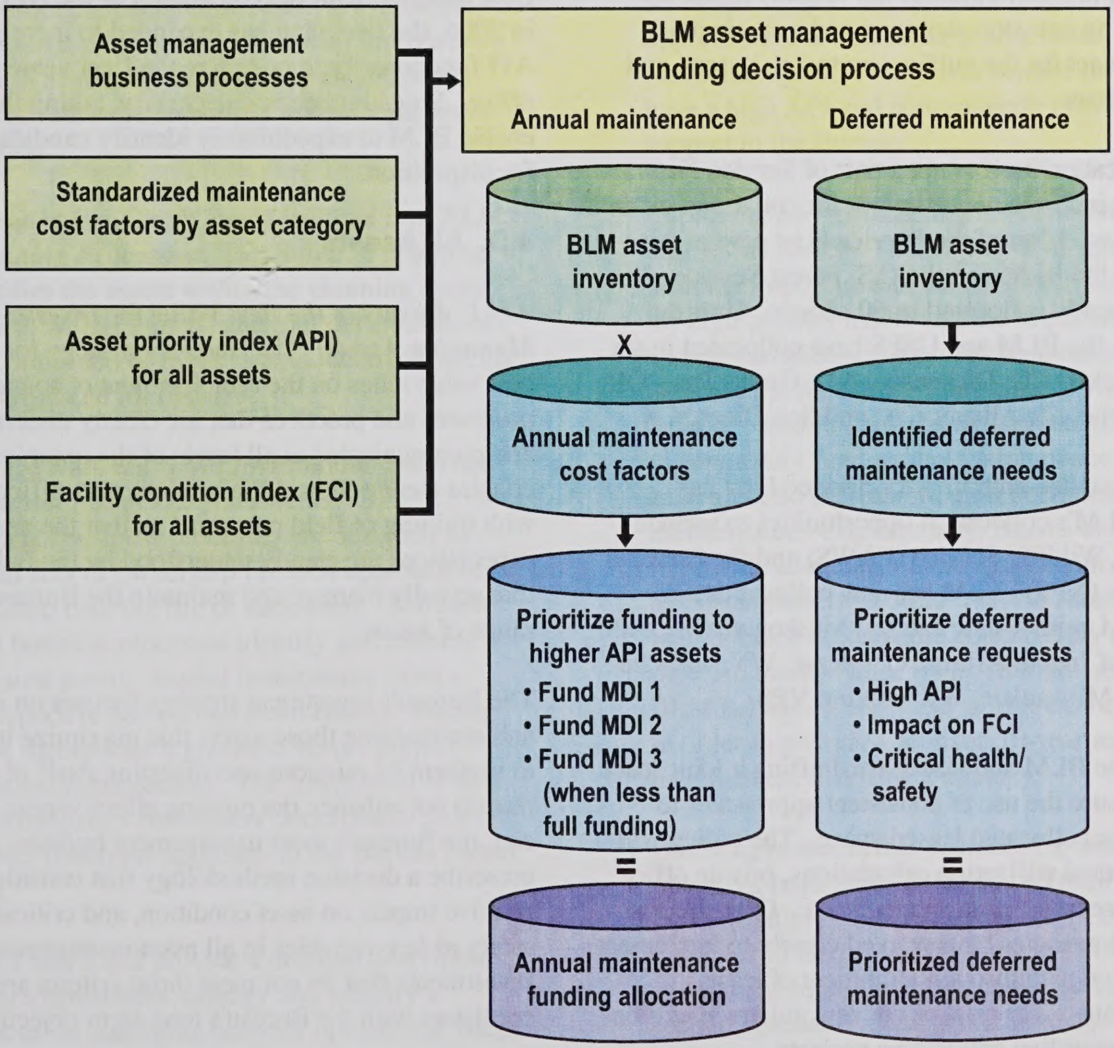

Asset management business processes
Standardized maintenance cost factors by asset category
Asset priority index (API) for all assets
Facility condition index (FCI) for all assets
BLM asset management funding decision process
Annual maintenance
Deferred maintenance
BLM asset inventory
X
Annual maintenance cost factors
Prioritize funding to higher API assets
• Fund MDI 1
• Fund MDI 2
• Fund MDI 3 (when less than full funding)
=
Annual maintenance funding allocation
BLM asset inventory
Identified deferred maintenance needs
Prioritize deferred maintenance requests
• High API
• Impact on FCI
• Critical health/ safety
=
Prioritized deferred maintenance needs

Figure 14. BLM's decision process for funding assets.

4.B. Factoring Collocation into BLM's Space Planning Process: BLM has implemented a Bureauwide collocation program, using one location to house multiple government agencies, through its Service First initiative. Service First is a partnership among land management agencies to provide seamless, citizen-centered services. The three major objectives of Service First are to:

1. Enhance natural resource management
2. Improve customer service
3. Increase operation efficiencies

These goals can be accomplished by:

- Cutting through multiple processes and regulations of two or more agencies to relieve the public, commercial users, and businesses of duplicative work

- Designating a lead agency to operate a program or manage an area regardless of agency boundaries

- Offering one-stop shopping and a single point of contact for the public, commercial users, and businesses

While collocation itself is not a part of Service First, it does greatly increase opportunities for collaboration with other agencies. Most of the Service First partnerships are between the BLM and the U.S. Forest Service. The BLM is currently collocated in 60 offices. Over the past 2 years, the BLM and USFS have collocated in six offices: Meeker, CO; Dickenson, ND; Grants Pass, OR; Coeur D'Alene, ID; Albany, CA; and San Diego, CA.

Recently expanded authority for Service First has increased BLM's collocation opportunities to include the Fish and Wildlife Service (F&WS) and the National Park Service (NPS). BLM has new collocations at Roswell, NM, with a state agency; Muskogee, OK, with the Bureau of Indian Affairs; Cheyenne, WY, with the F&WS; and Milwaukee, WI, with the NPS.

Currently, the BLM and USFS are drafting a joint space policy to ensure the use of consistent approaches to acquisition or collocated leased space. The policy will include identical utilization calculations, private office allocations, security enhancements, etc. Over the past decade, both agencies have worked closely to implement the collocation plan through alignment of lease expiration dates. The goal of the new guidance will be to further streamline collocation projects.

Several collocation barriers will be identified in the joint space policy. BLM has limited construction dollars. This budget deficiency restricts BLM's ability to participate in new government owned and constructed Forest Service facilities projects. The USFS has limited funding for systems furniture and other cost because collocation projects are not funded centrally in the USFS budget process.

4.C. Fleet Assets: Establishing the mission criticality of vehicles has been addressed through the annual multiyear fleet plan. Since 2003, it has been a requirement that every office identify the cost associated with each vehicle, establish the primary mission of each vehicle, verify the under- or overutilization of each vehicle, and project the future requirements for each vehicle. This process is done annually by verifying the fleet authorization in the vehicle file and submitting the fleet plan.

Until now, the BLM has depended upon the field offices to determine the validity of the mission criticality in the fleet plan, but with the completion of the API analysis in 2006, the fleet plan has expanded to incorporate the API functionality to prioritize the fleet vehicles in each office. Should it become necessary, taking this step will enable BLM to expeditiously identify candidate vehicles for disposition.

4.D. All Assets

4.D.1. Ensuring the Best Value for Investing In and Managing Assets: The Bureau's strategy for optimizing best value relies on the establishment of sound business processes and practices that are clearly understood and communicated at all levels of the organization. It couples clear policy at the headquarters office level with training of field personnel so that the needs and expectations are clearly understood by the individuals that actually manage and maintain the Bureau's wide range of assets.

The Bureau's investment strategy focuses on investing and maintaining those assets that maximize its ability to perform its missions and divesting itself of assets that do not enhance the mission effectiveness. To that end, the Bureau's asset management business processes prescribe a decision methodology that considers API, positive impact on asset condition, and critical health and safety as key variables in all asset management decisions. Investments that do not meet those criteria are not consistent with the Bureau's long-term objectives.

The Bureau ensures the best value for investing and managing assets by building the SSABP from the field organization up. The state office management reviews, approves, and provides a level playing field for reviewing all performance metrics (e.g. API, FCI, and utilization). The SSABPs are submitted to the headquarters office for use in national priority setting and national resource allocation. The SSABPs are being validated beginning in FY 2007 AMR cycle and will be completely reviewed by a Bureau team in the next 4 years. States will begin to review SSABP in FY 2007 as part of their review using the national template.

4.D.2. Determining the Future Use, Needs, or Replacement of Assets: Future requirements associated with new missions or the replacement of existing assets are developed through the Bureau's 5-year planning process (see section 3.B.2 for a complete description).

The state leadership teams within the BLM develop requirements that align with their future use, needs, and replacement requirements and submit those as part of the planning process. Each requirement is evaluated, scored, and given a priority consistent with the Bureau's overall needs. Those projects receiving a sufficiently high score to advance are submitted to the Department for consideration.

4.D.3. Incorporating Asset Considerations into BLM's General Planning Processes: The Bureau's planning process identifies the assets within the planning scope and aligns them with the short- and long-term needs of the Bureau. Unneeded or excess assets identified during that process are slated for disposal.

4.D.4. Linkage Between Asset Investments and Out-Year Operational Budget Requirements: BLM's asset investments business processes are designed to provide a total cost of ownership (TCoO) approach to asset stewardship over the life of each asset. The asset management business processes identify and address two key decision points: capital investments from a life cycle perspective and annual maintenance funding priorities that incorporate a portfolio versus project approach to asset management. The integration of those two elements integrates investment decisions to provide a more holistic, multiyear approach to the Bureau's asset management.

Sections 3.B.1 and 3.B.2 provide a detailed description of the Bureau's investment strategy and identify a conscious focus on managing out-year operational budget requirements through understanding and identifying life cycle costs (including utility, operation, and maintenance costs) associated with each investment decision prior to making the investment. Section 3.C addresses the Bureau's approach to sustainment of existing assets and provides an analytical approach to identifying and prioritizing annual operations and maintenance resource needs in an effort to maximize the operational effectiveness of the Bureau's assets while minimizing future funding needs.

4.D.5. Investment Strategy for Operating, Maintaining, and Replacing BLM's Asset Portfolio: The Bureau's asset management investment strategy over the next 10-year period (FY 2006 through FY 2016) is focused on achieving three objectives:

- Aligning the asset portfolio with the Bureau's missions—Alignment through the use of the API and the disposal or transfer of non-value-added and excess inventory provides the Bureau an effective strategy and mechanism for "rightsizing" the asset portfolio to the Bureau's needs. Assets that no longer support the Bureau's mission provide opportunities to reallocate scarce resources and focus management initiatives toward those that have a high API and consequently provide critical support to the Bureau.

- Improving and maintaining the condition of high-value assets—This objective recognizes both the importance of deferred maintenance for high-priority assets and the important role annual maintenance plays in the avoidance of deferred maintenance. The National Academy of Sciences studies consistently indicate that failure to adequately fund annual maintenance results in a threefold increase when it becomes deferred maintenance. Consequently, BLM's objective is to provide adequate annual maintenance dollars to existing assets in order to avoid future deferred maintenance needs while concurrently addressing deferred maintenance issues in high-value assets. BLM believes it is critical to address both issues in order to provide a realistic 10-year asset management investment strategy.

- Investing in assets that decrease the annual operating requirements (enhanced total cost of ownership)—Understanding the TCoO is an essential element of the Bureau's 10-year investment strategy. By strategically selecting technologies and construction methods that decrease utility consumption, maintenance costs, and operating needs over the life of the asset, BLM can enhance the effectiveness of scarce resources and develop an asset portfolio that provides maximum mission value while minimizing the utility, operations, and maintenance costs to create a sustainable, long-term asset management program.

4.D.6. Identifying, Funding, Managing, and Reporting on Nonfederal Assets: The BLM does not have arrangements with nonfederal entities where the nonfederal entity provides property, plant, and equipment (PP&E) to the Bureau for use at no cost. There is a small possibility, however, that a grantee may purchase an item of PP&E using grant funding.

Statement of Federal Financial Accounting Standards (SFFAS) No. 6, Accounting for Property, Plant, and Equipment (PP&E), defines PP&E as:

> "Tangible assets that (1) have a useful life of 2 or more years, (2) are not intended for sale in the ordinary course of business, and (3) are intended to be used or available for use by the entity."

This definition of property would indicate that a tangible asset not meeting all three of the above criteria would not qualify as "property" for the purposes of financial reporting.

In addition, paragraph 19 of SFFAS No. 6 identifies criteria for specific exclusion as PP&E. This paragraph states:

> "Property, plant, and equipment excludes items (1) held in anticipation of physical consumption such as operating materials and supplies and (2) the Federal entity has a reversionary interest in."

Footnote 20 to paragraph 19 states:

> "The Federal Government sometimes retains an interest in PP&E acquired with grant money. In the event that the grant recipient no longer used the PP&E in the activity for which the grant was originally provided the PP&E reverts to the Federal Government."

4.D.7. Strategies and Recommendations for Successful Implementation of the BLM and DOI AMPs: BLM has identified strong and well-documented asset management business processes as the core component to the successful implementation of its asset management program. Clearly identified business processes serve as excellent communication tools, provide guidance to all levels of the organization, and provide a management function independent of software or technology solutions.

In addition to the core business processes, the BLM has focused considerable attention on defining an integrated asset management strategy that considers the implications and ramifications of each resource requirement to develop a portfolio-based strategy rather than an event-driven, asset-based strategy. The BLM developed the *Stewardship Strategy in 2003* to integrate the key elements of its asset management program into a cohesive strategy. Figure 15 identifies each of the key elements.

Figure 16 identifies the elements of the decision process that BLM has focused particular attention on to adequately understand the resource requirements associated with effective stewardship of the Bureau's assets. It provides a financial model for asset management that incorporates resource requirements and provides a predictive view of the Bureau's long-term resource requirements.

4.D.8. Incorporating Planning and Management Requirements for Historic Property: BLM developed a comprehensive framework for managing its cultural resources long before Executive Order 13287 on the *Preserve America* initiative was signed by President Bush on March 3, 2003. The framework has been in place for almost 30 years.

Since *Preserve America* went into effect, BLM has continued to implement this management framework, including incorporating management prescriptions for its world-class cultural resources into resource management plans and other planning documents. *Preserve America*, however, has caused BLM to become more focused in addressing the management needs for its cultural resources in other ways. Executive Order 13287 reiterates the government's stewardship responsibilities for cultural resources and encourages federal agencies to work collaboratively with other federal and nonfederal entities, including Indian tribes and the private sector, to attain preservation objectives. *Preserve America* also encourages federal agencies to use their cultural resources to promote economic development, particularly heritage tourism. BLM has been particularly aggressive in two areas: working with partners, cooperators, and volunteers to leverage appropriated funding and promoting the economic use of cultural resources.

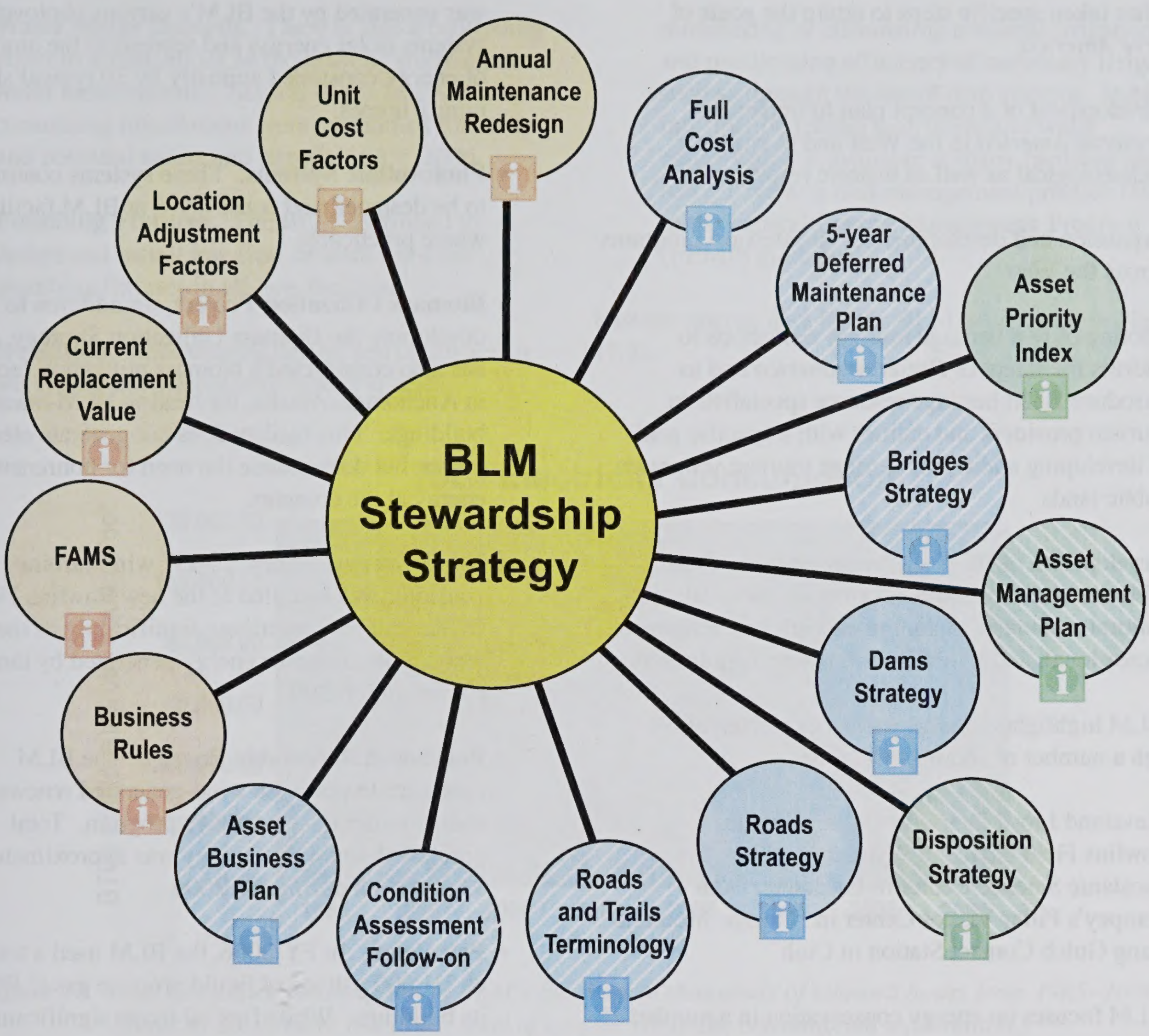
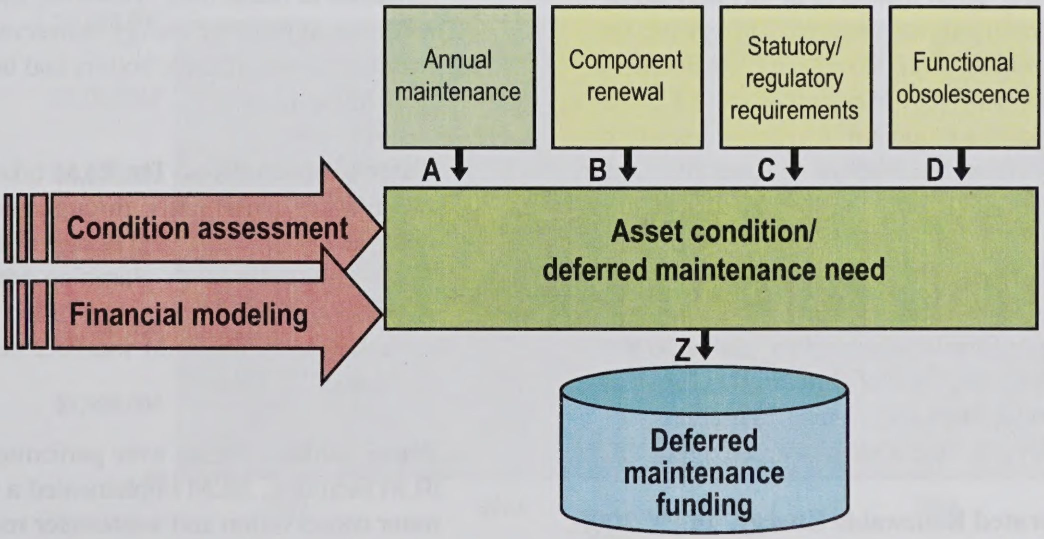


Figure 15. BLM's stewardship strategy integrates key elements of the asset management program.


Annual maintenance
Component renewal
Statutory/ regulatory requirements
Functional obsolescence
A
B
C
D
Condition assessment
Financial modeling
Asset condition/ deferred maintenance need
Z
Deferred maintenance funding

Asset condition improves if...Z > (A + B + C + D)

Figure 16. Elements in the decision process receiving focused attention from BLM.

BLM has taken specific steps to attain the goals of *Preserve America*:

1. Development of a concept plan to implement *Preserve America* in the West and to embrace archaeological as well as historic resources
2. Expansion and development of site steward programs across the West
3. Piloting of two heritage tourism workshops to address the intent of *Preserve America* and to introduce BLM heritage resource specialists to tourism providers and entities with a specific goal of developing additional heritage tourism venues on public lands
4. Development of BLM's *Adventures in the Past* Web site to disseminate information about BLM's cultural resources, including educational, volunteer, recreational, and scientific and research endeavors

The BLM highlights innovative energy conservation through a number of showcase facilities:

- Cleveland Lloyd Dinosaur Quarry in Utah
- Rawlins Field Office in Wyoming
- Escalante Science Center in Escalante, Utah
- Pompey's Pillar Visitor Center in Billings, Montana
- Kang Gulch Contact Station in Utah

The BLM focuses on energy conservation in a number of ways:

- **Standard Buildings.** The BLM is implementing energy conservation measures in virtually all of our facilities in varying degrees. Energy use for standard buildings in 2006 was 70,969 British Thermal Units per Gross Square Foot (BTU/GSF). This represents a reduction in energy intensity of 11.2 percent from the baseline in Executive Order 13123.

- **Renewable Energy.** The Bureau issued Instruction Memoranda (IMs) in FY 2006 on Solar Energy Development Policy, and Biomass Utilization Strategy establishing policy for solar energy development and biomass utilization projects on public lands administered by the BLM.

- **Self-Generated Renewable Energy.** In FY 2006, BLM self-generated approximately 199 megawatt hours (MWh) from renewable energy. This power was generated by the BLM's various photovoltaic systems (solar energy) and represents the amount of energy consumed annually by 30 typical single-family homes.

- **Photovoltaic Systems.** These systems continue to be designed and constructed at BLM facilities, where practicable.

- **Biomass Utilization Project.** In addition to developing the Biomass Utilization Strategy, BLM has also constructed a biomass utilization facility in Anchorage, Alaska, for heating BLM-managed buildings. This facility does not generate electrical power, but does reduce the need for nonrenewable energy at the complex.

- **Wind Energy.** A new 20-kW wind turbine generator was installed at the new Rawlins Field Office and will contribute significantly to the amount of renewable energy generated by the Bureau in FY 2007.

- **Purchased Renewable Energy.** The BLM continues to purchase wind-generated renewable energy under the Blue Skies program. Total purchased renewable energy was approximately 52,900 kWh during FY 2006.

- **Petroleum.** In FY 2006, the BLM used a total of 211,600 gallons of liquid propane gas (LPG) in its buildings. While fuel oil usage significantly decreased, propane usage increased 49.7 percent from the previous year (FY 2005). Weather patterns must be considered in describing annual variations in usage data. However, the BLM continues to promote energy conservation by installing more efficient boilers and heating units in BLM facilities.

- **Water Conservation.** The BLM takes an active role in water conservation through audits, water meter records reviews, and design and construction of low-or ultra low-flow plumbing and irrigation systems. In FY 2006, the total billed water consumption by the BLM was 63.2 million gallons at a cost of $173,400.

- **Water Audits.** Audits were performed at several BLM facilities. BLM implemented a number of water conservation and wastewater reclamation and reuse projects in FY 2006.

- **Water Meter Records.** There is also a continuing effort to screen all BLM facilities by studying their water meter records. Several of the largest water-consuming installations were earmarked for study and potential audits and retrofits in FY 2006.

- **Plumbing Fixtures.** The BLM continued to design and install low-flow or ultra low-flow plumbing fixtures in all new facilities.

- **Irrigation.** Landscaping design and construction has emphasized using native plant species, minimizing or eliminating artificial irrigation, and maximizing efficiency of necessary irrigation, such as through the use of drip systems. Public information related to drought and water conservation is available at many facilities and is recognized as a best management practice (BMP) in the Federal Energy Management Program (FEMP) guidance.

Historic energy data for the BLM is provided in Figures 17-21.

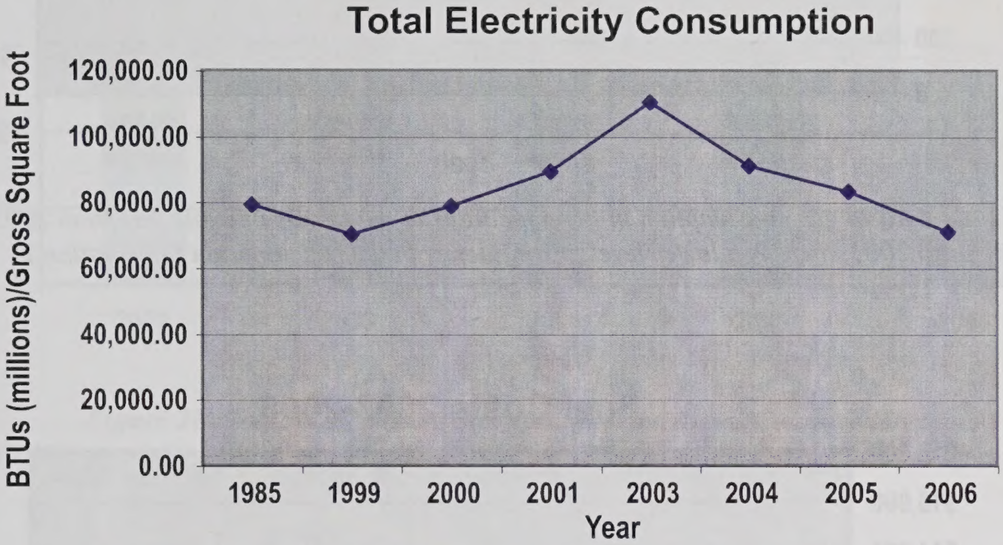


Figure 17. *Total electricity consumption in BLM's facilities in thousands of kilowatt hours from 1985–2006. (Prior to 2003, there is a lower level of confidence in the consumption information.)*

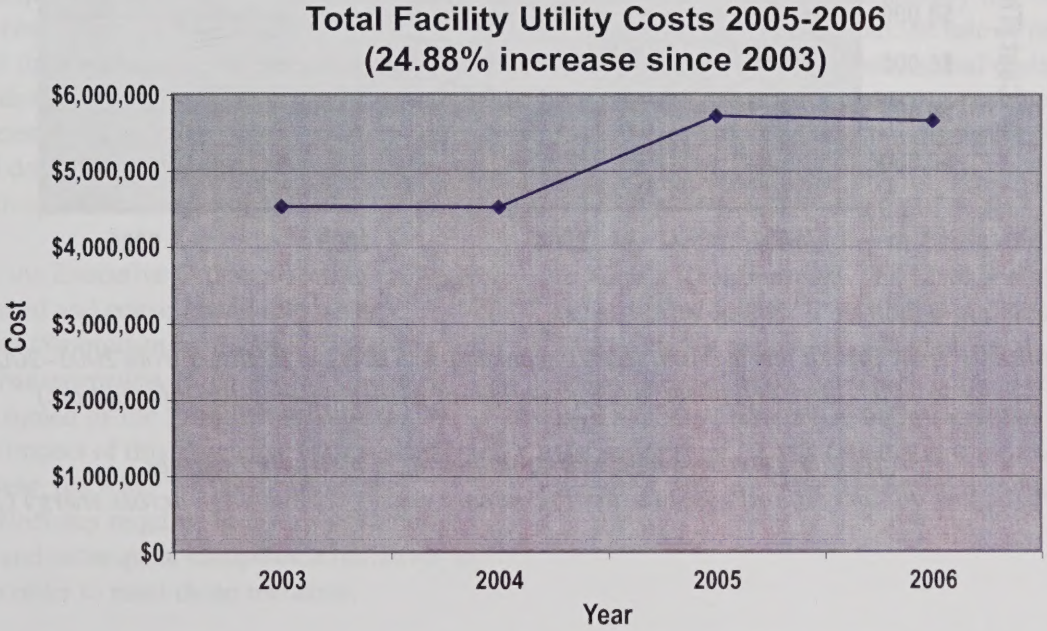


Figure 18. *Total fuel oil consumption in BLM facilities in thousands of gallons from 2003–2006. (Prior to 2003, there is a lower level of confidence in the consumption information.)*

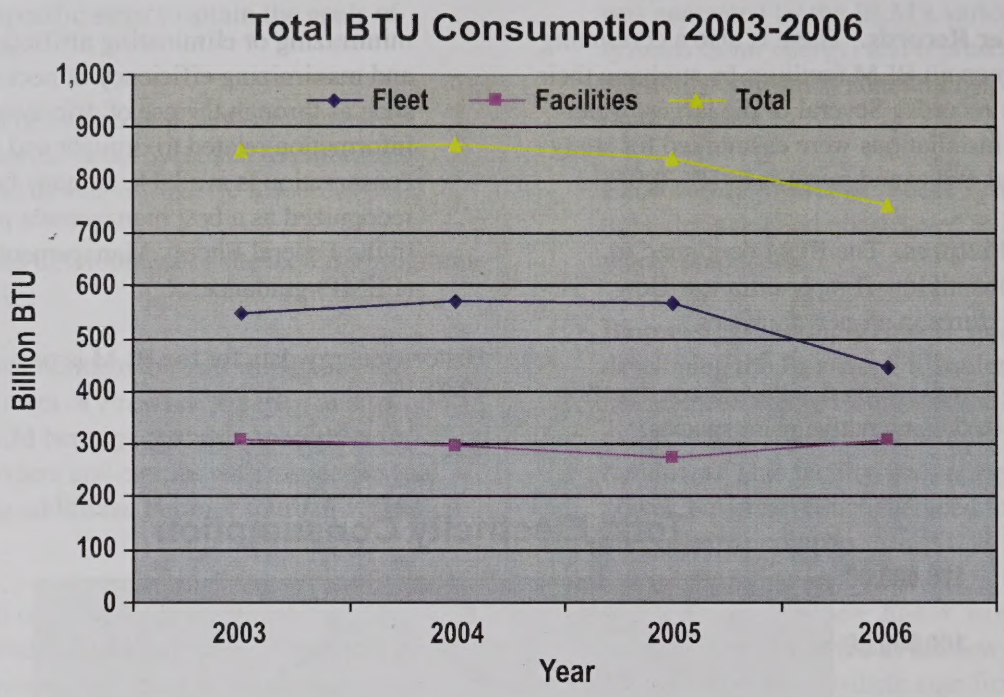


Figure 19. *Total natural gas consumption in BLM facilities in thousands of cubic feet from 2003–2006. (Prior to 2003, there is a lower level of confidence in the consumption information.)*

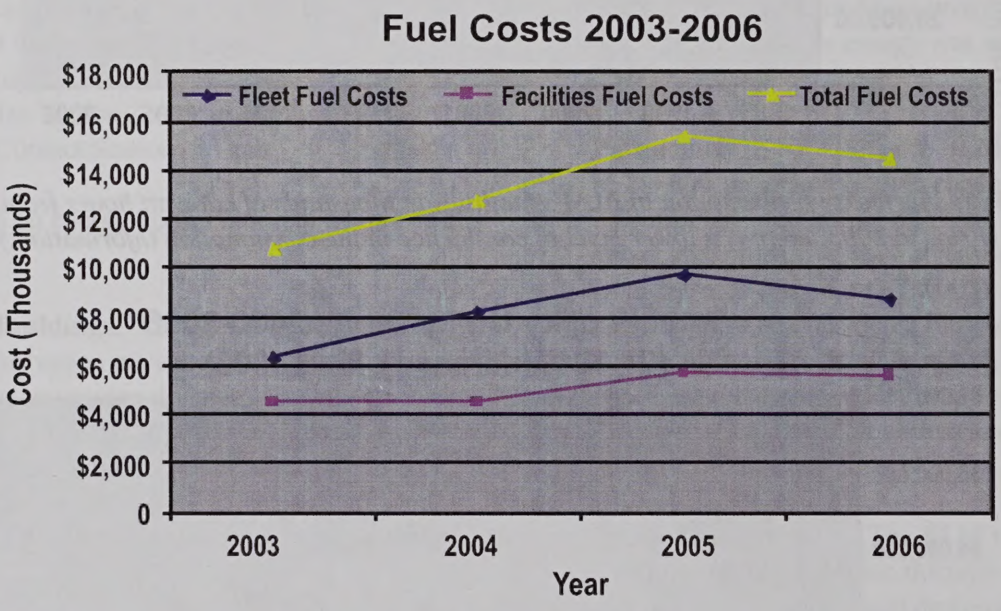


Figure 20. *Total British thermal unit (BTU)* consumption in BLM facilities from 2003–2006. (Prior to 2003, there is a lower level of confidence in the consumption information.)*

**A BTU is a measurement that combines all of the energy sources (electricity, fuel oil, and natural gas) in order to compare energy consumption across energy types.*

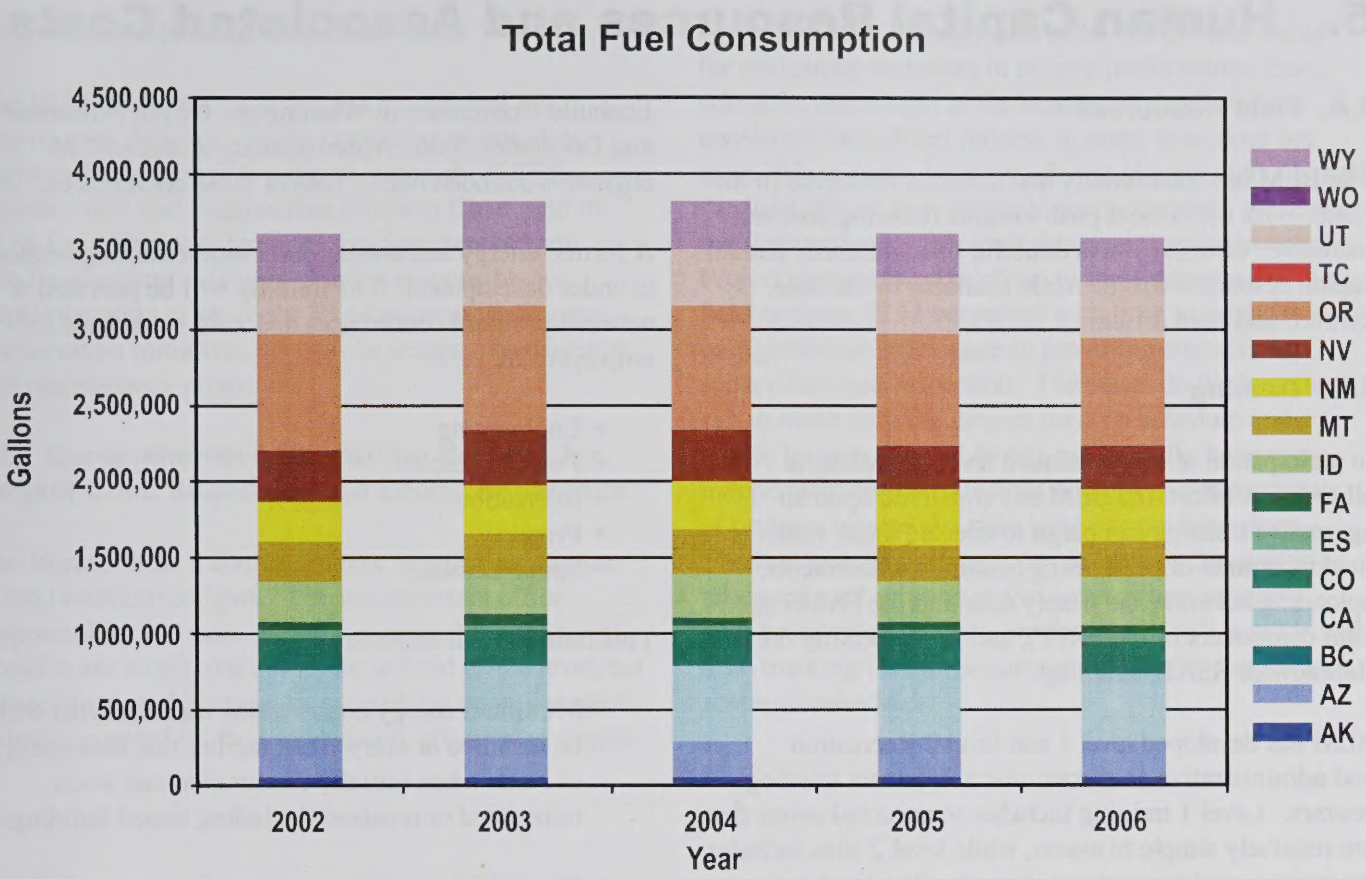


Figure 21. *Total fuel consumption (gasoline and diesel) consumed by the BLM's general purpose fleet from 2002–2006. (This information is broken out by state.)*

Since 2000, in compliance with Executive Order 13148, all new lease acquisitions contain "green paragraphs," which require environmental management through construction of the new leased facility. The leasing program provides a funding pathway for offices that want a higher level certification of leadership in energy and environmental design (LEED) by implementing a lower overall utilization rate for the project.

Note: Most of the Executive Orders affecting energy have been revoked and consolidated into a single Executive Order (*Strengthening Federal Environmental, Energy, and Transportation Management*, Executive Order 13423), signed by the President on January 24, 2007). As the impact of this Executive Order is analyzed over the next year, the AMP will be updated and amended to reflect any required revisions of standing BLM policies and subsequent compliance initiatives to be launched in order to meet those revisions.

4.D.9. Legislative Challenges and Opportunities: The Bureau would benefit tremendously if it could keep a portion of the proceeds from the sale of real property toward maintenance, operations, and replacement costs of new facilities. This would also provide an incentive for managers to accelerate the disposal of underutilized and lower priority properties.

4.D.10. Deciding Whether to Lease or Construct to Meet a Requirement: The BLM has limited construction dollars. This budget deficiency restricts BLM's ability to provide owned office and warehouse space. Regardless of whether it is more economical to own a facility, the current budget realities require that the majority of BLM's office and warehouse space be acquired with available leased fixed costs.

5. Human Capital Resources and Associated Costs

5.A. Field Resources

The BLM has traditionally had minimal resources in the field. With the current push towards reducing cost and increasing efficiency, it is doubtful that additional human capital resources will be made available to the state, district, and field offices.

5.B. Training

In anticipation of this continued level of staffing at all levels of effort, the BLM has embarked upon an aggressive training campaign to educate those vital field personnel in performing condition assessments, uploading accurate and timely data into the FAMS (a vital component of the FRPP), and implementing the first Bureauwide SSABP training.

BLM has developed level 1 and level 2 Recreation and administrative sites condition assessment training courses. Level 1 training includes constructed assets that are relatively simple to assess, while level 2 sites includes the more complex constructed assets. The level 1 course was piloted last year and six classes were given to a mix of more than 130 in-house engineering and recreation staff members. The level 1 training will be offered two to three times in 2007. The piloting of the level 2 course was just completed in November 2006, and this course will be offered three times in early 2007. These training classes will equip BLM's personnel to conduct condition assessments rather than to seek contractual support in the future. When the 2007 training is completed, BLM will have about 175 personnel trained to conduct level 1 assessments and about 50 personnel trained to conduct level 2 assessments.

Other recent training developments in BLM include a dam condition assessment course that was piloted and given for the first time last year, and also the Bureauwide SSABP training given in October 2006 to primarily engineering and property staff. Current plans are to offer the SSABP training again in 2007 and to develop SSABP target training for field office managers. Finally, BLM has had ongoing FAMS training for the past 3 years that has recently been partially converted to Web-based rather than totally classroom-based training.

Engineers from BLM's National Science and Technology Center, headquarters office, and the Utah State Office attended the Greenbuild Conference in Denver and the Ecobuild Conference in Washington, DC, in November and December 2006. Approximately a dozen BLM engineers attended one or both of these conferences.

A formal energy and water conservation training session is under development. The training will be provided at national program conferences and state workshops to employees in:

- Engineering
- Procurement
- Recreation
- Property
- Space Leasing

This training will address:

- Minimum energy conservation measures that will be installed at every BLM facility that uses energy or water when initially constructed and when remodeled or repaired (including leased buildings)

- T8 or T5 "green" low mercury fluorescent lighting with electronic ballasts or compact fluorescents

- Occupancy sensors

- Programmable thermostats or direct digital controls for HVAC systems

- LED exit signs

- Waterless urinals

- In-house commissioning of electrical and mechanical systems

- Independent commissioning of electrical and mechanical systems

- Renewable energy opportunities (e.g., photovoltaic, wind, geothermal) and where and when they should be pursued

- Water conservation opportunities (e.g., landscape watering)

- Purchase of energy and water efficient products (e.g., boilers, clothes washers/dryers, water heaters)

- Sustainable design and construction

The BLM headquarters office has established an Engineering Advisory Team (consisting of one state engineer from each of the eleven states, the NSTC Architectural and Engineering Division Chief, and the BLM Lead Engineer from the headquarters office). The Engineering Advisory Team is responsible for implementation of all of the BLM's energy policy and conservation initiatives through its design, construction, and maintenance programs.

5.C. Comprehensive Monitoring Process for Project Cost, Schedule, and Scope Adherence

The Bureau lacks a comprehensive monitoring process at the headquarters level. The headquarters office responsibility has been policy, not project management. Projects are monitored at the site or field office level, but information rarely leaves the state office on any project unless requested by the headquarters office on a project-by-project basis through data calls. No process exists for mitigating variances in project performance (cost, schedule, and scope) at the headquarters office level. A consistent formalized process in every state does not exist. Many states have very few engineers and only half the field offices have an engineer on the staff, presenting the field with very few available construction managers. Project management is left up to the contractors in the field or those BLM personnel with little to no technical background or experience in providing engineering supervision and inspection. The states do the best they can to make sure the project stays on schedule and within budget. The BLM has traditionally been very independent on the state level and direct management of projects beyond the state level has not been done. The headquarters office hopes to institute a monitoring process for all projects in the construction program. This monitoring process, once in place, will provide real-time tracking for and document changes in project cost, scope, or schedule.

6. Scorecards

6.A. Energy Management

President's Management Agenda -Scorecard, *Department of the Interior, Bureau of Land Management*

		CURRENT STATUS (As of December 11, 2006)		EVIDENCE OF PROGRESS	COMMENTS
ENERGY MANAGEMENT **Bureau Lead:** Bob Anderson (Nancy Dean/ Robert Jolley) **DOI Lead:** Nina Hatfield (Debra Sonderman/ Michael Keegan)	🔴 Bureau Rating	Reduction in energy intensity in standard buildings compared with 1985: __30 percent and on track for 35 percent by 2010 (G) __20 percent _____ (Y) BLM Note: 11.2 % decrease. However 1985 data is questionable. Score - Red • Reduction in energy intensity all facilities compared with 2003: NA 2 percent and on track for 20 percent by 2015 _(date)_(G) NA 1 percent _(date)_(Y) BLM Note: 5.9 % decrease from 2003 baseline. Score - Green Use of renewable energy as a percent of facility electricity use: _ 2.5 percent__ (G) _ 1.5 percent__ (Y) BLM Note: 0.5% from 2006 Energy Data Report Score - Red • Metering plan to meter energy use in 100 percent of appropriate facilities by 2012: NA On track in implementing plan _(date)_(G) NA Plan approved by DOE and OMB _(date)_(Y) BLM Note: Metering Plan submitted to PAM 6-06. Score - Green • Percent of new building designs that are 30 percent more energy efficient than relevant code NA 100 percent _(date)_(G) NA 50 percent _(date)_(Y) BLM Note: New Sustainable Buildings directive requires all new construction to be considered for Green Globes or LEED. Score - Green	🟢	Actions taken this quarter: • Issued Notice of intent to Award Phase 2 of BLM's first Energy Saving Performance Contract (ESPC) for seven BLM states (CO, ID, MT, NV, OR, WA, WY). Anticipate 15-20% reduction in energy use for BLM owned facilities to be audited (approximately 180 buildings) • Revised BLM's standard leasing contract to require LEED design on three "pilot" leased facilities. Planned actions for next quarter: • Award Phase 2 of BLM's first Energy Saving Performance Contract (ESPC) to audit & implement energy savings for seven BLM states (CO, ID, MT, NV, OR, WA, WY). Anticipate 15-20% reduction in energy use for BLM owned facilities to be audited (approximately 180 buildings) • Continue implementation of advanced metering on BLM facilities for ESPC measurement and verification (where applicable) as a part of ESPC work. • Revise BLM's standard leasing contract to require LEED design on all facilities – pending evaluation of ongoing pilot LEED facility solicitations - (certification on large facilities >30,000 sf). • Convene Energy Conservation Working Group to further develop BLMs Energy Conservation Strategies for FY07/08	

ENERGY MANAGEMENT STANDARDS FOR SUCCESS

🟢	🟡	🔴
Agency: • Has reduced energy intensity (Btu/gsf) in standard buildings by 30 percent compared with 1985 and is on track for 35 percent reduction by 2010. • Has reduced energy intensity (Btu/gsf) in all facilities by 2 percent compared with 2003 and is on track for 20 percent reduction by 2015. • Uses at least 2.5 percent renewable energy as a percentage of facility electricity use. Has a metering plan approved by OMB and DOE and is on track in implementing the plan to meter energy use in 100 percent of appropriate facilities by 2012. • Demonstrates that 100 percent of new building designs beginning October 1, 2006, are 30 percent more efficient than the 2004 International Energy Conservation Code (residential buildings) or the ASHRAE Standard 90.1-2004 (non-residential buildings), if life-cycle cost effective.	Agency: • Has reduced energy intensity (Btu/gsf) in standard buildings by 20 percent compared with 1985. • Has reduced energy intensity (Btu/gsf) in all facilities by 1 percent compared with 2003 and is on track for 20 percent reduction by 2015. • Uses at least 1.5 percent renewable energy to power facilities and equipment. • Has a metering plan approved by OMB and DOE to meter energy use in 100 percent of appropriate facilities by 2012. • Demonstrates that at least 50 percent of new building designs beginning October 1, 2006, are 30 percent more efficient than the 2004 International Energy Conservation Code (residential buildings) or the ASHRAE Standard 90.1-2004 (non-residential buildings), if life-cycle cost effective.	Agency: • Has not yet reduced energy intensity (Btu/gsf) in standard buildings by 20 percent compared with 1985. • Has not yet reduced energy intensity (Btu/gsf) in all facilities by 1 percent compared with 2003. • Does not use at least 1.5 percent renewable energy to power facilities and equipment. • Does not have a metering plan approved by OMB and DOE to meter energy use in 100 percent of appropriate facilities by 2012. • Cannot demonstrate that at least 50 percent of new building designs beginning October 1, 2006, are 30 percent more efficient than the 2004 International Energy Conservation Code (residential buildings) or the ASHRAE Standard 90.1-2004 (non-residential buildings), if life-cycle cost effective.

6.B. Environmental Stewardship

***President's Management Agenda -Scorecard**, Department of the Interior, Bureau of Land Management*

	CURRENT STATUS (As of January 4, 2007)		EVIDENCE OF PROGRESS		COMMENTS
ENVIRONMENTAL STEWARDSHIP **Bureau Lead:** Tom Lonnie (Nancy Dean/ Robert Jolley) **DOI Lead:** Chris Kearney (Willie Taylor/ Kathleen Bartholomew)	🔴 Bureau Rating	- EMS report card criteria met: __100% agency-level and 100% facility-level _(date)___(G) __100% agency-level and at least 50% facility-level (date)___(Y) BLM Note: BLM identified 2 facilities as appropriate for pilot implementation. Policy was issued and the contract was awarded. Score - Red - Green purchasing: _X_ Agency has green purchasing plan (GPP), representative acquisitions, audit program, and corrective action plan, if applicable _(date)__(G) __ Agency has partial GPP and representative acquisitions _(date)__(Y) Score - Green - Sustainable design/green bldgs _X_ agency implementing program that meets statutory requirements and/or elements of the MOU on Sustainable Buildings _(date)__(G) ____ agency developed program _(date)_(Y) BLM Note: BLM issued Instruction in July 06. Score - Green - Sustainability program for electronic stewardship: ____ agency implementing _(date)__(G) ____ agency developed and/or signed the MOU on Electronic Stewardship_(date)___(Y) BLM Note: Not currently required. Score - NA - Compliance Management Plan and implementation strategy: ____ agency developed _(date)_(G) ____ agency did not develop, but identified related initiatives, plans, and strategies _(date)_(Y) BLM Note: Not currently required. Score - NA	🟢	Actions taken (1st Qtr FY07): - Cross-Functional Team (CFT) formed for Washington Office (WO) Environmental Management System (EMS). - EMS training provided to WO Cross-Functional Team. - Interviews of the CFT were conducted and WO Aspects were identified. - BLM provided representation to the DOI Electronic Stewardship Task Force and has had several meetings this quarter to develop the implementation strategy. - Conducted train-the-trainer training for asset managers on Green Purchasing requirements. - Issued IM 2006-207 (High Performance and Sustainable Buildings) on 3 July 2006. - Prepared responses to DOI Asset Management Review. - Completed annual E.O. 13148 Report to DOI/EPA. Planned actions (2nd Qtr FY07: - BLM will continue implementation of the EMS for the Washington Office and begin in the Wyoming State Office. - Develop a Sustainable Implementation Plan that will follow the yet final DOI strategy. - Enhance the demanufacturing program and continue to promote demanufacturing, recycling, and reuse options in the disposal process. - Conduct a BLM Greening Workshop in March to coordinate greening efforts.	

ENVIRONMENTAL STEWARDSHIP STANDARDS FOR SUCCESS

🟢	🟡	🔴
Agency:	Agency:	Agency:
- Has met all E.O. 13148 EMS agency-level criteria and facility-level criteria at all appropriate facilities.	- Has met all E.O. 13148 EMS agency-level criteria, and at least 50 percent of appropriate facilities meet facility-level criteria.	- If applicable, has not met agency-level criteria or sufficient, appropriate facility-level criteria per the E.O. 13148 EMS report card.
- Has a comprehensive, written green purchasing plan (GPP) that includes recycled content products, Energy Star/energy efficient (EE) products, biobased products, and environmentally preferable products (EPP); demonstrates compliance in representative acquisitions; audits compliance annually and develops corrective action plans to address shortcomings in GPP preference program. (Note: Agencies will not be held accountable for Energy Star/efficient or biobased products until statutory requirements become effective in FY '07).	- Has a GPP for recycled content, biobased, and environmentally preferable products and includes requirements for recycled and biobased products in a representative sample of acquisitions (e.g., construction, O&M, office supplies, etc.)	- Has no GPP or only has a GPP for recycled content products and/or cannot demonstrate inclusion of green products in acquisitions.
- Has implemented a sustainability program for green buildings that at a minimum requires sustainability design principles on all new construction and major renovations and is consistent with EPACT 2005 and E.O. 13123, and/or is implementing the Memorandum of Understanding (MOU) on Federal Leadership in High Performance and Sustainable Buildings (1/24/06) or equivalent. Has implemented a sustainability program for electronic stewardship that at a minimum promotes the purchases, operation, and use of end-of-life management strategies for electronic assets consistent with the MOU on Electronics Stewardship (11/15/04), or Federal Electronics Challenge (FEC) or equivalent.	- Has developed a sustainability program for green buildings and/or has signed the MOU on Sustainable Buildings. - Signed the MOU on Electronic Stewardship and/or has a plan to meet the objectives of the MOU; and/or is a FEC partner.	- Does not have a sustainability program for green buildings or did not sign MOU on Sustainable Buildings. - Did not sign MOU on Electronic Stewardship or does not have a program to promote sustainable environmental stewardship of Federal electronic assets.
- Has a comprehensive Compliance Management Plan (CMP) and a CMP implementation strategy in accordance with the President's Management Council (PMC) Compliance Initiative as specified in the memo to agencies dated November, 2004.	- Has selected initiatives for a Compliance Management Plan and/or discussed a strategy with the Federal Environmental Executive in accordance with the PMC Compliance Initiative.	- If applicable, has not selected initiatives for a stand alone CMP or has not discussed a strategy with the Federal Environmental Executive.

6.C. Real Property

President's Management Agenda -Scorecard*, Department of the Interior, Bureau of Land Management*

	CURRENT STATUS (As of _)		EVIDENCE OF PROGRESS __ Quarter FY __		COMMENTS
Real Property **Bureau Lead:** Mike Ferguson (Bob Donelson) **DOI Lead:** Nina Hatfield (Debra Sonderman/ Michael Keegan)	🟢 Bureau Rating	• Asset management plan (AMP): Yes in place (Y) Yes consistent with Federal Real Property Council (FRPC) standards or expected equivalent (Y) Comment OMB-approved. (Y) Yes 3 year timeline for meeting plan goals/objectives (G) Yes evidence that plan is being implemented to achieve improved real property mgmt (G) • Accurate and current inventory: Yes in place (Y) Yes consistent with FRPC standards or expected equivalent (Y) Yes provided to govt.-wide real property database (Y) Yes used in daily management decision-making by (G) • Real property performance measures: Yes in place by Q1 '06 (Y) Yes consistent with FRPC standards or expected equivalent (Y) No used in daily management decision-making (G) Yes. Evidence that real property management is consistent with agency strategic plan, AMP, and performance measures. (G)		Actions taken this quarter: Issued Policy calling for the Asset Business Plans by State and Center. Met with State Leads to develop training course to teach State and Centers multidisciplinary teams how to complete Asset Business Plans. Accuracy of current inventory is being validated by a cross cutting team of Property and Engineers The BLM uses the data that goes into FRPP in decision-making for purposes of focusing inventory and Condition Assessment efforts and in acquisition, operation, maintenance and disposal BLM reports on the DOI Performance measures through FRPP and Performance System for collocations. Planned actions for next quarter: Correct 1st Year shortcomings in Inventory reports to FRPP. Asset Business Plan development course will be taught to all Bureau development teams in the First Quarter of 2007. States are developing Asset Business Plans in the first quarter of FY 2007.	DOI's AMP is approved by OMB. DOI has no intention of sharing BLM's AMP with OMB. Trend lines of performance in the Asset Business Plan is evidence of improved Real Property Management. Inventory Accuracy is within the standard for Internal Asset Management Scorecard developed by the Department. BLM's AMP references the BLM Assets and will reflect Asset Priorities associated with strategic plan in the Asset Business Plans. All Assets will reflect performance measures as the asset business Plans shows the rollup of those measures in trend charts.

6.D. Transportation Management

TRANSPORTATION MANAGEMENT SCORECARD
Department of the Interior

	CURRENT STATUS (As of January 1, 2007)[1]		PROGRESS		COMMENTS
TRANSPOR-TATION MANAGEMENT **Senior Transportation Official:** R. Thomas Weimer **Lead DOE Analyst:** Shab Fardanesh **Lead OMB Analysts:** Cyndi Vallina and Rob Sandoli	● Yellow Next ↑ est. by Q1 '09	• Percent of new vehicle acquisitions that are alternative fuel vehicles (AFVs): _X_ 75 percent annually 2001 (G) _X_ 60 percent annually 2001 (Y) • Use of alternative fuels in AFVs: __ 51 percent (date) (G) __ 10 percent (date) (Y) • Increase in average fuel economy of the vehicle fleet compared with a 1999 baseline: _X_ 3 mpg (date) (G) _X_ 1 mpg (date) (Y) • Reduction in petroleum use in the vehicle fleet compared with a 1999 baseline: __ 20 percent (date) (G) _X_ 5 percent (date) (Y) • Strategy for meeting requirements of Executive Order 13149: _X_ approved by DOE and OMB, and can demonstrate that elements are being implemented 2005 (G) _X_ approved by DOE and OMB, 2002 (Y) • Senior Transportation Official has implementation of Executive Order 13149 incorporated into: __ position description and performance evaluation (date) (G) __ position description (date) (Y)	● Green	Actions taken since July 1, 2006: • Developed and implemented a strategy and plan of action for validating, monitoring and improving the quality of Federal Automotive Statistical Tool (FAST) system data. • Conducted an assessment to optimize the placement of DOI vehicles to increase the use of alternative fuels and to share vehicles at collocated facilities. • Established performance plans for each Bureau's designated Senior Transportation Official responsible for implementation of EO 13149. • Developed a strategy, guidance and metrics for acquiring higher fuel economy vehicles. Planned actions for next six months: Outline key actions to be taken 1/1/07-7/1/07 • Complete Fleet Management Program Reviews with the Bureaus. • Issue a memorandum from the Deputy Secretary highlighting the Transportation Management scorecard and its requirements. • Host a workshop and produce a guidance document providing Bureaus with goals to fulfill the requirements of the scorecard. • Develop a document containing all public alternative fuel re-fueling stations and draft a memorandum to Bureaus to use it as a tool for vehicle placement and increase use of alternative fuels.	• DOI is on track to achieve the requirements of EO 13149. The Departmental fleet management initiative has led to increased awareness with senior management, development of portfolio management, accountability, and oversight. • The Fleet workshop in December 2003 led to improvements in DOI's fleet management program. Another workshop allows for an assessment of the past years work and is a session to plan, strategize and outline action items needed to meet EO 13149 requirements. • DOI implemented Bureau-level scorecards that reiterate the requirements of overall scorecard. • In order to move from Yellow to Green status on the overall scorecard, DOI must reduce its petroleum consumption by 20 percent over the 1999 baseline year. DOI realized a 14.9 percent reduction in FY 2006 through reducing the size of the fleet, right-sizing vehicles to meet mission requirements, acquiring AFVs and hybrids, and using alternative fuels. DOI will continue on this track to achieve the 20 percent reduction. • In FY 2006, DOI achieved over 21 percent use of alternative fuels in AFVs. To attain Green status, 51 percent, and given the remoteness of many DOI locations and the lack of infrastructure to support alternative fuels, DOI needs OMB/DOE to Provide funds to increase Federal and agency infrastructure, and offer incentives to major petroleum vendors to provide alternative fuel at their locations.

Appendix

Additional information about BLM's asset management program is available on the following Web pages:

www.blm.gov/education

http://nbcweb.blm.gov/bc653/realprop/realprop.html

http://web.blm.gov/internal/wo-500/directives/dir-05/im2005-189.html

http://web.blm.gov/internal/wo-500/directives/dir-05/im2005-189_a1.doc

http://web.blm.gov/internal/wo-500/directives/dir-05/im2005-168_a1.pdf

http://web.nc.blm.gov/nhrmc/IM/IM-FY2006-PDFs/BC%20IM-2006-005%20Light%20Truck%20FY%202006%20 Procurement.pdf

Appendix

Additional information about BLM's asset management program is available on the following Web pages:

www.blm.gov/[illegible]

http://[illegible].blm.gov/[illegible]

http://www.blm.gov/[illegible].html

http://www.blm.gov/[illegible]2005-[illegible].pdf

http://www.blm.gov/[illegible]2005-[illegible].pdf

http://[illegible].blm.gov/[illegible]
Presentation.pdf